Conservation Districts Of Manitoba

Districts de conservation Du Manitoba

Annual Report 2007-2008

Rapport annuel 2007-2008

Manitoba

MINISTER OF WATER STEWARDSHIP

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

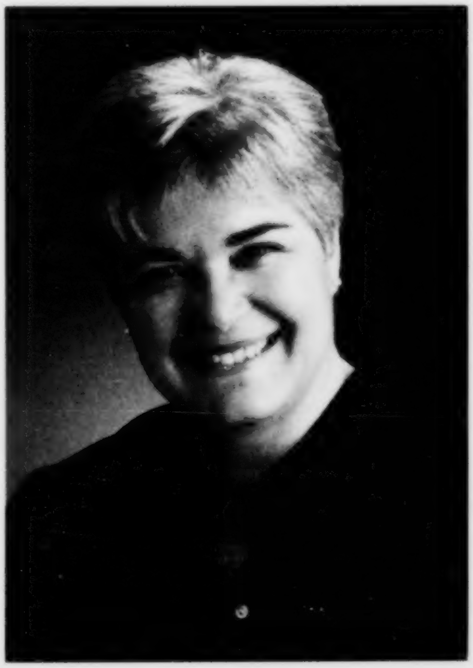
His Honour The Honourable John Harvard P.C, O.M
Lieutenant – Governor of Manitoba
Room 235
Legislative Building
Winnipeg MB R3C 0V8

Your Honour:

It is my pleasure to present to you this document: The Annual Report of the Conservation Districts of Manitoba for the fiscal year ending March 31, 2007, along with the audited financial statements of the Districts for the same period.

Yours sincerely,

Christine Melnick



Manitoba

Deputy Minister of
Water Stewardship

Legislative Building
Winnipeg, Manitoba CANADA
R3C 0V8

The Honourable Christine Melnick
Minister of Water Stewardship
Room 314, Legislative Building
Winnipeg MB R3C 0V8

Dear Minister:

I am pleased to present you with the Annual report of the Conservation Districts for the fiscal year ending March 31, 2007.

With a continual focus on the concept of sustainability in Manitoba, this document effectively outlines the programs which have been developed by the Province's Conservation Districts in support of protecting, preserving, and promoting the prudent use of our environmental and economic resources.

Sincerely,

Don Norquay
Deputy Minister

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Conservation Districts Program

Foreword

The Conservation Districts Program operates under the authority of *The Conservation Districts Act*. The objectives of the *Conservation Districts Act* are to provide for the conservation, control and prudent use of resources through the establishment of Conservation Districts and to protect the correlative rights of owners.

The *Conservation Districts Act* provides for the creation of Conservation Districts and requires the establishment of a Commission to oversee the activities of the Conservation Districts' Boards. The Commission, in turn, reports to the Minister of Water Stewardship. The *Conservation Districts Act* also requires each conservation district to prepare an Annual Report, which includes: an update on progress made towards implementing their resource management plans; general remarks with respect to activities related to the establishment of new Districts or expansion of existing Districts; summary of land and water management programming activities; and the Auditor's Report for each District. The Watershed Planning & Programs section of Manitoba Water Stewardship acts as the Secretariat to the Conservation District Commission and is responsible for the administration of the program.

Manitoba Water Stewardship provides annual funding to assist conservation districts. In addition, the conservation districts procure additional cost-share funding from local landowners, Ducks Unlimited Canada, Agriculture and Agri-Food Canada-Prairie Farm Rehabilitation Administration, and many other government and non-government agencies. Other Provincial departments such as Conservation and Agriculture, Food and Rural Initiatives also provide grants for specific projects.

Each conservation district is required to prepare an integrated watershed management plan. Throughout the planning process, each District establishes a long-term vision, mandate, goals, objectives, and a 5-year program and operating budget

Programme des districts de conservation

Avant-propos

Le Programme des districts de conservation est régi par la *Loi sur les districts de conservation*. La *Loi* a pour objet la conservation, le contrôle et l'emploi judicieux des ressources par l'établissement de districts de conservation, ainsi que la protection des droits des propriétaires en ces matières.

La *Loi* prévoit la création de districts de conservation et exige la mise sur pied d'une Commission chargée de superviser les activités des conseils des districts de conservation. Cette Commission doit à son tour rendre compte au ministre de la Gestion des ressources hydriques. La *Loi* exige aussi que chaque district de conservation prépare un rapport annuel qui comprend : un compte rendu des progrès accomplis quant à la mise en œuvre de son plan de gestion des ressources; des remarques générales sur les activités liées à la création de nouveaux districts ou l'agrandissement de districts existants; un résumé des activités de gestion des terres et de l'eau; et un rapport préparé par un vérificateur. La Section de la planification de la gestion des bassins hydrographiques et des programmes du ministère de la Gestion des ressources hydriques agit à titre de secrétariat de la Commission des districts de conservation et est responsable de l'administration du programme.

Le ministère de la Gestion des ressources hydriques verse des fonds annuels pour appuyer les districts de conservation. De plus, les districts obtiennent un financement additionnel à coûts partagés des propriétaires fonciers de leur région, de Canards Illimités Canada, d'Agriculture et Agroalimentaire Canada, ainsi que d'autres organismes d'État et organismes non gouvernementaux. D'autres ministères provinciaux, comme les ministères de la Conservation, de l'Agriculture, de l'Alimentation et des Initiatives rurales, peuvent aussi accorder des subventions pour des projets particuliers.

Chaque district de conservation est tenu de préparer un plan intégré de gestion du bassin hydrographique. Cela lui permet d'établir une vision à long terme, de se fixer un mandat et des objectifs, et d'élaborer un programme et un budget de fonctionnement sur cinq ans.

Program Growth

- Seine-Rat River Conservation District expanded to involve the rural municipality of Stuartburn and the East Interlake Conservation District expanded to include the rural municipality of St. Andrews.

- Tiger Hills and Mid Assiniboine River Conservation Districts amalgamated with inclusion of the rural municipalities of Riverside, Oakland and Whitewater, the Village of Wawanesa and the Town of Souris.

- The rural municipalities of Eriksdale, Siglunes, Coldwell, St. Laurent, Woodlands and Armstrong worked towards the formation of the West Interlake Watershed Conservation District.

- Alonsa Conservation District initiated a proposal to include two communities under the jurisdiction of Manitoba Aboriginal and Northern Affairs namely; Steep Rock Lake area and Spence Lake.

- The Seine-Rat River Conservation District worked to include the rural municipality of Montcalm and the East Interlake Conservation District worked to include the rural municipalities of Woodlands and West St. Paul and the City of Selkirk.

Expansion du programme

- Le district de conservation des rivières Seine et aux Rats s'est agrandi afin d'englober la municipalité rurale de Stuartburn et celui de l'est de la région d'Entre-les-Lacs comprend à présent la municipalité rurale de St. Andrews.

- La Section de la planification de la gestion des bassins hydrographiques et des programmes a rédigé des propositions en vue :

    - d'amalgamer les districts de conservation de Tiger Hill et de la partie médiane de la rivière Assiniboine et d'y inclure les municipalités rurales de Riverside, d'Oakland et de Whitewater ainsi que le village de Wawanesa et la ville de Souris;

    - de constituer le district de conservation de l'ouest de la région d'Entre-les-Lacs qui regrouperait les municipalités rurales d'Eriksdale, de Siglunes, de Coldwell, de St. Laurent, de Woodlands et d'Armstrong;

    - de placer deux collectivités sous la responsabilité du ministère des Affaires autochtones et du Nord, soit celle de la zone de Steep Rock Lake et celle de Spence Lake;

    - d'agrandir le district de conservation des rivières Seine et aux Rats pour qu'il englobe la municipalité rurale de Montcalm ainsi que celui de l'est de la région d'Entre-les-Lacs, pour qu'il comprenne les municipalités rurales de Woodlands et de West St. Paul et la ville de Selkirk.

Program Activities

In 2007-08, the Conservation District Program expended over $8.0M toward land and water stewardship programming. The following is a summary of activities for the fiscal year 2007-08:

Projects	**2007-2008**	2006-07	2005-06	2004-05	2003-04	Units
Crossings repaired / replaced	183	149	171	230	123	crossings
Custom seeding		12	55	21		km
Drainage licenses	105	178	129	101	55	reviews
Drain construction / reconstruction	46.5	78	5			km
Drains maintained	1,778	2,699	2,102	1,557	2,086	km
Enviro Farm Planning referrals	322	734	3			referrals
Education programs - local schools	83	225	135	206	93	schools
Equipment rental	2,585	1,098	695	1,880	215	ha
Erosion control	56	29	47	12	1	projects
Fisheries enhancement	11	20	21	22	28	projects
Forage seeded	9,340	5,687	3,770	10,518	10,673	ha
Forage / soil testing	84	19	10	19	17	projects
GIS services / mapping	308	785	307	410	407	projects
Grassed waterways	38	74	45	47	41	projects
Green manure	1	2	2			projects
Gully erosion repairs	13	16	25	12	16	projects
Informational video	1	4	1			projects
Livestock crossings / stream access	18	16	10	12	19	projects
Manure management	8	7	5	6	9	projects
Pasture management systems	32	25	49	35	17	projects
Pasture pipelines	35	46	1,038	48	111	km
Planned grazing	7	18	13	36	49	projects
Recreation sites / tourism	22	11	19	13	14	projects
Resource management plans	2	11	8	9	7	projects
Ring dykes		1	1	2	3	projects
Riparian exclusion fencing	59	29	38	44	61	km
Rotational winter feeding		2	5	2		projects
Salinity seed	110	118	1,381	60		projects
Shelterbelts	81	128	87	121	146	km
Streambank stabilization	28	19	56	25	18	projects
Sub-division applications	53	51	71	68	20	reviews
Swath grazing	4	6	10	6		projects
Tours / Demo days / Extension	62	222	81	129	108	projects
Trees planted	47,583	86,820	97,162	68,180	101,300	trees
Water pump rental	26	12	19	24	15	projects
Water retention	40	32	54	58	44	projects
Water quality tests - wells / surface	1,255	1,265	761	575	102	samples
Watering systems - off-site	78	58	47	55	82	projects
Planning Initiatives	22	16	12	15	16	plans
Wells sealed	336	288	282	297	289	wells
Wells - new / maintenance	40	21	20	40	25	wells
Wildlife habitat enhancement	46	71	40	23	32	projects
Winter cereals	817	975	2,208	444	597	ha
Woodlot management	8	10	3			projects

Activités du programme

En 2007-2008, le Programme des districts de conservation a alloué 7,5 millions de dollars aux programmes de gestion des eaux et d'aménagement des terres. Voici un résumé des activités au cours de l'exercice 2007-2008.

Projets	**2007-2008**	**2006-07**	2005-06	2004-05	2003-04	Unités
Réparation et rémplacement des traverses	183	149	171	230	123	traverses
Semis à forfait		12	55	21		km
Permis de drainage	105	178	129	101	55	évaluations
Construction et reconstruction des canaux de drainage	46,5	78	5			km
Entretien des canaux de drainage	1 778	2 699	2 102	1 557	2 086	km
Renvois au programme de planification agricole environnementale	322	734	3			renvois
Programmes éducatifs pour les écoles de la région	83	225	135	206	93	écoles
Location d'équipement	2 585	1 098	695	1 880	215	ha
Lutte contre l'érosion	56	29	47	12	1	projets
Mise en valeur de la pêche	11	20	21	22	28	projets
Plantation de fourrages	9 340	5 687	3 770	10 518	10 673	ha
Analyses de fourrages et de sols	84	19	10	19	17	projets
Service d'information géographique et cartographie	308	785	307	410	407	projets
Voies d'eau gazonnées	38	74	45	47	41	projets
Engrais vert	1	2	2			projets
Restauration des ravines	13	16	25	12	16	projets
Vidéo d'information	1	4	1			projets
Accès aux cours d'eau et voies de passage pour le bétail	18	16	10	12	19	projets
Gestion du fumier	8	7	5	6	9	projets
Systèmes de gestion des pâturages	32	25	49	35	17	projets
Canalisations d'eau dans les pâturages	35	46	1 038	48	111	km
Planification des pacages	7	18	13	36	49	projets
Sites de loisirs et tourisme	22	11	19	13	14	projets
Plans de gestion des ressources	2	11	8	9	7	projets
Digues circulaires		1	1	2	3	projets
Clôturage d'exclusion le long des rives	59	29	38	44	61	km
Alimentation des animaux en rotation l'hiver		2	5	2		projets
Graines tolérant la salinité	110	118	1 381	60		projets
Brise-vents	81	128	87	121	146	km
Stabilisation des rives	28	19	56	25	18	projets
Demandes en vue d'effectuer des subdivisions	53	51	71	68	20	évaluations
Pâturage sur andains	4	6	10	6		projets
Visites guidées, présentations et activités de vulgarisation	62	222	81	129	108	projets
Plantation d'arbres	47 583	86 820	97 162	68 180	101 300	arbres
Location de pompes à eau	26	12	19	24	15	projets
Rétention des eaux	40	32	54	58	44	projets
Tests de qualité de l'eau dans des puits et en surface	1 255	1 265	761	575	102	echantillons
Systèmes d'arrosage extérieurs	78	58	47	55	82	projets
Initiatives de planification	22	16	12	15	16	plans
Fermeture des puits	336	288	282	297	289	puits
Construction et entretien de puits	40	21	20	40	25	puits
Mise en valeur des habitats fauniques	46	71	40	23	32	projets
Céréales d'hiver	817	975	2 208	444	597	ha
Gestion des terrains boisés	8	10	3			projets

Conservation District Grants
Subventions aux districts de conservation

Up to 75% of the costs of Conservation District Programs are funded by Provincial grants. The grants are provided to support land and water management programs such as flood prevention and management, waterways rehabilitation, soil conservation, water storage/retention, wildlife habitat enhancement, public education, and a variety of other resource management initiatives. The funding is also used to assist with the operational and administrative expenses of a conservation district.

Les subventions provinciales couvrent jusqu'à 75 % du coût des programmes des districts de conservation. Ces subventions appuient les programmes de gestion des terres et de l'eau, notamment la prévention et la gestion des inondations, la réhabilitation des cours d'eau, la préservation des terres, le stockage et la rétention d'eau, la mise en valeur des habitats fauniques, la sensibilisation du public, et une gamme d'autres activités de gestion de ressources. Les fonds sont aussi utilisés pour les dépenses d'exploitation et d'administration des districts de conservation.

CONSERVATION DISTRICT GRANTS 2007-08
SUBVENTIONS AUX DISTRICTS DE CONSERVATION EN 2007-08

DISTRICTS / DISTRICTS	PROVINCIAL GRANTS	SUBVENTIONS PROVINCIALES
Alonsa	$266,000	266 000 $
Assiniboine Hills	$50,000	50 000 $
Cooks Creek / Ruisseau Creeks	$285,000	285 000 $
East Interlake / Est de la région d'Entre-les-Lacs	$225,000	225 000 $
Intermountain	$252,000	252 000 $
Kelsey	$150,000	150 000 $
La Salle Redboine	$230,000	230 000 $
Lake of the Prairies / Lac des prairies	$150,000	150 000 $
Little Saskatchewan River / Rivière Little Saskatchewan	$180,000	180 000 $
Mid Assiniboine River / Partie médiane de la rivière Assiniboine	$115,000	115 000 $
Pembina Valley / Vallée de la Pembina	$400,000	400 000 $
Seine-Rat River / Rivières Seine et aux Rats	$325,000	325 000 $
Swan Lake Watershed	$125,000	125 000 $
Tiger Hills	$115,000	115 000 $
Turtle Mountain	$320,000	320 000 $
Turtle River Watershed	$410,000	410 000 $
Upper Assiniboine River / Partie supérieure de la rivière Assiniboine	$260,000	260 000 $
West Interlake Watershed	$50,000	50 000 $
West Souris River / Ouest de la rivière Souris	$217,000	217 000 $
Whitemud Watershed	$710,000	710 000 $
TOTAL	***$4,835,000***	***4 835 000 $***

NOTE: Refer to the Audited Financial Statements in the Appendices for details on local/external funding and total expenditures.

NOTE: Veuillez consulter les états financiers en annexe pour des détails sur le financement local et externe et sur les dépenses totales.

Alonsa Conservation District

Introduction

The Alonsa Conservation District (ACD) has been in operation since 1978 and is located along the western shores of Lake Manitoba, encompassing approximately 4,450 square kilometres. It includes all or parts of the rural municipalities of Alonsa and Lawrence. The ACD landscape is characterized by a series of gentle undulations of ridges and sloughs, and includes the major watersheds of Garrioch Creek, Sucker Creek, Hamlin Drain, and Reedy Creek, along with several others that drain into Lake Manitoba, Ebb and Flow Lake, and Lonely Lake.

The ACD offers a list of programs including: water management, soil conservation, fisheries, wildlife and forestry management. ACD is also involved with supporting historic resources, public education, tourism, and recreation projects.

ALONSA CONSERVATION DISTRICT
BOARD MEMBERS 2007-2008

SUB-DISTRICT	CHAIRPERSON	ADDRESS
Chairperson / Provincial Appointee	Edward Zdan	Alonsa
#107 – Crane River/Hamlin Drain	Fred Taylor	Rorketon
#110 – Garrioch Creek	Danny North	Alonsa
#113 – Lonely Lake/Ebb and Flow	Lyle Finney	R. R. #1, Ste. Rose du Lac
#157 – Weiden Drain	Steve Sliworsky	Rorketon
#160 – Kinosota Ridge	Allan Carriere	Amaranth

Summary

The ACD supports and encourages a variety of projects and program activities including: channel maintenance, crossing repair and replacement, hatchery activities, forage seed assistance, forest management, wildlife habitat enhancement, tree planting, recreation trail maintenance, aboriginal historic sites, and park projects. The ACD Board is committed to educational and extension activities to fulfill its mandate of conserving, sustaining, and preserving the diversity of this unique area while strengthening the local economy.

Manitoba Water Stewardship and the Municipalities of Alonsa and Lawrence are the main financial partners. Other sources of funding come from the Manitoba Green Team program, Manitoba Hydro, Fisheries Enhancement Fund, Manitoba Métis Federation, Lake Manitoba Fishermen's Association, the Special Infrastructure Program and Manitoba Culture, Heritage and Tourism. As well, the ACD forms funding partnerships with local producers for programs that focus on common interests for the environment and sustainable development.

The District initiated a Watershed Management planning process and completed a draft Surface Water Management component as part of the first planning phase in 2007. The District also initiated the development of an expansion proposal to include the Steep Rock Lake area and Spence Lake communities.

TOTAL EXPENDITURES 2007-2008

Activity	Expenditure
Watershed Planning	$ 16,180.00
Assets	$ 13,765.00
Administration	$ 32,764.00
Public Relations & Education	$ 70,957.00
Wildlife/Fisheries	$ 22,870.00
Forestry	$ 3,866.00
Soil Conservation	$ 61,370.00
Water Management	$ 76,726.00
Crossing	$ 31,455.00
Drainage	$ 51,684.00
Recreation	$ 1,898.00
TOTAL	**$ 383,535.00**

For further detail see Auditor's Report, Appendix A.

Watershed Planning

- Continued with consultant to carry out research, development and preparation of the surface water management plan
- Held a series of public meetings throughout the District to discuss the plan in detail

Administration

- Consisted of staff salaries and benefits expenses, board remuneration and office expenses

Public Education

- Provided youth speaker sponsorships and graduation awards
- Hired students under the Green Team Student Employment Program
- Maintained self-guided and educational trails
- Recognized the Robertson family with a Conservation District Award

Wildlife / Fisheries and Habitat Programs

- Played a key partnership role with the fish hatchery and assisted with pickerel spawning activities to deliver 16 million fry to Lake Manitoba

Soils Conservation and Forestry

- Assisted 47 landowners with the establishment of 2,130 hectares of permanent cover through the forage incentive program
- Completed riparian projects on two kilometres of riverbank
- Assisted 19 producers with land management planning GIS projects

Water Management

- Documented drain infrastructure projects using a geographical information system (GIS)
- Conducted the following maintenance activities in 2006-2007
    - Cleanout of drains at 11 sites
    - Conducted 11 vegetation control projects
    - Removed beaver dams or debris at 31 sites
    - Repaired equipment
    - Finalized the Highfield Drain project
    - Conducted brushing in Sub-District 107
- Completed work on a surface water management plan
- Conducted water quality testing
- Sealed three abandoned wells

Crossing Repair and Replacement

- Completed crossing repairs at over five sites
- Utilized GIS to keep track of crossings repairs and management history

Heritage Resources / Tourism

- Continued to support the efforts of the Alex Robertson Museum
- Covered the costs of the heritage resources / tourism projects entirely by funds raised locally or from external grants

Recreation

- Maintained 11 existing recreations projects, including: nature trails, an aboriginal petroform site, interpretive centers and parks

External Funding

Program/Partner		**Funding**
Manitoba Green Team Program	$	4,468.32
Birdwatchers Fund	$	1,914.13
Cattle Producers	$	26,987.05
Bluff Creek Caretaker Donations	$	700.00
Manitoba Hydro	$	1,071.34
Crossing Infrastructure Residents Cost-Share	$	5,135.00
Pelican Lake Wildlife Association Donation	$	1,000.00
TOTAL	$	**41,275.84**

Cooks Creek Conservation District

Introduction

The Cooks Creek Conservation District (CCCD) was established in 1979 and is located east of Winnipeg. The CCCD includes most of the Cooks Creek watershed, which discharges into the Red River, and parts of the Carrs Creek and Lower Seine River basins, both of which flow into the Red River Floodway. Topography, soils, and vegetation of the watershed are distinguished by an eastern upland area and a central lowland area.

The CCCD covers an area of 862 square kilometres and includes all or parts of the rural municipalities of Springfield, Taché, Ste. Anne, Brokenhead, and Reynolds. The District's proximity to Winnipeg has led to an influx of commuter residents in the rural areas as well as in the communities of Anola, Cooks Creek, Dugald, Oakbank, Ste. Genevieve and Richer.

COOKS CREEK CONSERVATION DISTRICT
BOARD MEMBERS 2007-2008

SUB-DISTRICT	CHAIRPERSON	ADDRESS
Board Chairperson	Neil Van Ryssel	Winnipeg
#9 – Lower Seine River	Bill Ammeter	Oakbank
#11N – Lower Cooks Creek	Garry Brown	Dugald
#11S – Upper Cooks Creek	Marc Ross	Richer
# 12 – Carrs Creek	Bob Bodnaruk	Springfield

Summary

Cooks Creek Conservation District programming includes drain and crossings reconstruction and maintenance, well sealing, drainage license approvals, water retention, wildlife habitat enhancement, sub-division applications, and public education initiatives. In addition to conservation district program grant funding from Manitoba Water Stewardship, the District continues to secure additional funding through Provincial and Federal programs and through partnerships with local landowners and Municipalities.

TOTAL EXPENDITURES 2007-2008

Activity	Expenditure
Administration	$ 64,361.00
Assets	$ 1,898.00
Public Education	$ 60,088.00
Wildlife & Fisheries Management	$ 35,289.00
Forestry Management	$ 1,090.00
Soil Management	$ 6,980.00
Water Management	$ 31,335.00
Crossing Infrastructure	$ 92,390.00
Drain Infrastructure	$ 308,458.00
TOTAL	**$ 601,889.00**

For further details see Auditor's Report, Appendix B.

Administration / Assets

- Consisted of office cleaning, office supplies, utilities, phone, insurance, professional (legal) fees, internet service, and some salaries and benefits
- Purchased printer, filing cabinets, and computer software

Public Education

- Summer staff participated in identification of wildlife and plants at the Wildlife Site
- Sponsored the local high school at Envirothon in Brandon
- Participated in the Brokenhead River Agriculture Information Day
- Contributed to the Manitoba Conservation District Association (MCDA) magazine
- District Board, Sub-District members, and Staff attended 50 meetings, six tours, and nine workshops including the annual Manitoba Conservation District Association Conference in Brandon

Wildlife / Fisheries

- Continued the development of a trails network at the District property near Birds Hill Park, and completed approximately half of the trail in 2007
- Engaged a student from Springfield Collegiate Institute Work Experience Program to assist with various projects

Forestry

- Planted approximately 500 trees on the Wildlife Site with help from summer students and the Oakbank Scouts
- Coordinated a project with Manitoba Lotteries, Manitoba Forestry, and the Municipality of Springfield to plant 10,000 spruce trees at a rehabilitated gravel pit site north east of the District office

Soil Management

- Evaluated one bank stabilization site
- Investigated one riparian management project site
- Provided comments on 29 Sub-Division applications

Water Management

- Reconstructed six kilometres of drainage waterways
- Repaired drain infrastructure at 77 locations under the 2007 drain restoration program in partnership with the Rural Municipality of Springfield and the Manitoba Emergency Measures Organization
- Completed silt and earth spot cleanouts along 37 kilometres of drains
- Sprayed and mowed for cattails and brush on approximately 48 kilometres of drains
- Removed 21 beaver dams from District drains
- Hired two summer students under the Hometown Green Team Program
- Completed the Oakbank CPR Drain land purchases including settlement of all compensation except one landowner
- Completed the Hillside Road Drain expropriation including settlement of all compensation except one landowner

Water Quality

- Coordinated works on Forest Road 13 & 13A with the rural municipalities of Ste. Anne, Reynolds, Taché, and the Seine-Rat River Conservation District
- Sealed twelve abandoned wells (approximately 232 wells have been sealed since 1994)
- Assisted the Springfield Collegiate Institute with their water-sampling project on Cooks Creek by determining the sites to be sampled and paying for the cost of sample analysis
- Continued to inspect and arrange stakeholders meetings for Drainage License applications
- Continued with discussions on the recommendations set out by Manitoba Water Stewardship regarding issuing drainage license

Crossing Infrastructure

- Installed five new culvert crossings
- Repaired four culvert crossings and replaced 12
- Repaired 50 floodgates and culvert ends at through-road or dyke installations
- Started on a partnership project with the Municipality of Springfield to compile digital records on the location and condition of all crossing infrastructure

External Funding

Program/Partner	Funding
Hometown Green Team	$ 4,726.40
T.D. Friends of the Environment funding on the Wildlife Site.	$ 8,000.00
Landowner - Crossings	$ 10,218.66
Landowner - Well Sealing	$ 600.00
Local Partners – Forestry Road 13 & 13A	$ 14,152.10
E.M.O. 2005 Restoration	$ 137,349.16
Municipality of Springfield 2005 Restoration	$ 15,261.01
Donations	$ 2,300.00
Miscellaneous Revenue	$ 693.81
Interest and Investment	$ 8,774.54
TOTAL	**$ 202,075.68**

East Interlake Conservation District

Introduction

The East Interlake Conservation District (EICD) was established in 2005 and currently includes all or parts of the rural municipalities of Armstrong, Bifrost, Fisher, Gimli, Rockwood, Rosser, St. Andrews, the Towns of Arborg, Teulon, Stonewall, Winnipeg Beach, and the Villages of Dunnottar and Riverton. The District covers 7,045 square kilometres of land with approximately 40,000 residents. The area is characterized by a diversified agricultural community, tourism associated with inland, shoreline and water activities, industry, aggregate and peat mining and residential developments along Lake Winnipeg and in the capital region north of Winnipeg, Manitoba. Agricultural activities include livestock (beef, dairy, poultry and hogs), forage production, annual crop production, and specialty operations.

The District is comprised of and governed by four major watersheds and offers programming in five programming areas including water quality, surface water management, watershed planning, soil and riparian health and conservation education.

EAST INTERLAKE CONSERVATION DISTRICT
BOARD MEMBERS 2007-2008

SUB-DISTRICT	CHAIRPERSON	ADDRESS
Board Chairperson	Harold Foster	Bifrost
Grassmere / Parks Creek	Gordon Grenkow	Rosser
Netley / Wavey Creek	Dennis Persoage	Rockwood
Icelandic River / Willow Creek	Bill Barlow	Bifrost
Fisher / Washow Bay	Robert Green	Fisher
Provincial Appointee	Melvin Podiama	Fisher

Summary

The District continued its mandate to promote watershed health by offering programs with a focus on water quality and surface water management including a private well inventory, abandoned well sealing, riparian programming, and education.

In addition to regular programming, several long term projects were completed or advanced including the completion of a well water inventory summary report of the Icelandic River and Washow Bay watershed. EICD continued with the watershed planning process for the Icelandic River and Washow Bay watershed. The District completed the fish way on the Icelandic River and completed two aquatic habitat assessments. The District initiated field data collection to support the surface watershed management plan for the Lower Interlake watershed and initiated a third habitat assessment.

The District expanded in 2007-08 to include the Municipality of St. Andrews and continued discussions with the rural municipalities of Woodlands, West St. Paul and the City of Selkirk.

TOTAL EXPENDITURES 2007-2008

Activity	Expenditure
Watershed Planning	$ 63,320.68
Administration	$ 56,251.37
Assets	$ 1,272.25
Public Education	$ 57,333.11
Wildlife & Fisheries	$ 74,181.98
Soil	$ 10,700.58
Water Management	$ 123,151.02
Drain Infrastructure	$ 21,852.04
TOTAL	$ 408,063.03

For further details see Auditor's Report, Appendix C.

Watershed Planning

- Developed a draft Integrated Watershed Management Plan which included recommendations, actions and goals towards addressing issues raised in a series of public consultations over the past two years
- Held two public meetings regarding the integrated watershed management planning
- Developed and collected drain attributes in the eastern half of the Grassmere watershed which will be used for hydrologic analysis of the drains, as part of a broader surface water management plan

Administration

- Consisted of office rent, supplies, phone, insurance, accounting and portions of the administrator salary

Assets

- Purchased a differential global positioning system for survey of culverts and drains, a multi-function printer for office use and a projector for use in presentations

Public Education

- Worked with local producers and learning more about important issues within the District
- Appeared in 16 print articles and 1 television ad
- Placed three advertisements in local papers
- Maintained and updated a web page (www.eicd.ca)
- Presented at the local Agricultural Fair and the Gimli Enviro-Club
- Ordered five EICD highway signs to alert the public when entering the District
- Purchased ten project signs for posting at individual project sites
- Designed and ordered a new exhibit display for the EICD
- Designed and distributed 10,000 EICD placemats to local restaurants
- Joined a curriculum development team with the Lake Winnipeg Stewardship Board
- Presented to a Grade 3 class on water issues

Wildlife / Fisheries and Habitat Programs

- Received final Aquatic Habitat Assessment for watershed 05SC (Washow Bay Creek and Icelandic River)
- Received final Aquatic Habitat Assessment for watershed 05SB (Willow Creek watershed)
- Conducted field sampling for watershed 05OJ (Netley and Grassmere watershed)
- Constructed and installed Arborg Weir fishway
- Restored two downstream riffle structures

Soil Conservation

- Received donated native grass seed from Interlake Forage Seeds for use in the District
- Distributed approximately 100 lbs of native grass seed to Interlake residents
- Provided support for one exclusion fencing and off-stream watering project along the upper reaches of Netley Creek

Water Management

- 388 private wells were located and sampled for *E. coli*, total coliforms, and nitrates
- 32 water quality samples were collected from local surface waters
- A water quality index rating was derived based on the 32 water samples
- Continued benthic invertebrate monitoring program and received interim report
- Sealed 25 abandoned wells
- Conducted a detailed condition assessment of Grassmere drain infrastructure
- Established an attribute database for analysis of survey characteristics

External Funding

Program / Partner	**Funding**
Green Team	$ 2,163.20
Fisheries and Oceans Canada – Stewardship in Action	$ 7,000.00
Manitoba Water Stewardship – Fisheries Enhancement Fund	$ 22,500.00
Manitoba Water Stewardship – Water Quality Monitoring	$ 12,500.00
Manitoba Water Stewardship – Groundwater Section	$ 7,324.60
Manitoba Water Stewardship – Habitat Assessment	$ 40,095.58
Red River Co-op Equity Fund	$ 169.36
Interest	$ 375.59
TOTAL	**$ 92,128.33**

Intermountain Conservation District

Introduction

The Intermountain Conservation District (IMCD) was officially established as Manitoba's ninth conservation district on July 15, 1997. Located between the Riding Mountain National Park, the Duck Mountain Provincial Forest, and Lakes Dauphin and Winnipegosis, the landscape of the District varies from steep forested escarpment to gentle sloping lakeshore land. Encompassing approximately 7,200 square kilometres, the IMCD is one of the province's larger conservation districts.

The conservation district is comprised of all or parts of the rural municipalities of Dauphin, Ethelbert, Gilbert Plains, Grandview, Mossey River and Mountain South; the Villages of Ethelbert and Winnipegosis; the Towns of Gilbert Plains and Grandview; and the City of Dauphin.

INTERMOUNTAIN CONSERVATION DISTRICT
BOARD MEMBERS 2007-2008

SUB-DISTRICT	CHAIRPERSON	ADDRESS
Board Chairperson	Marvin Kovachik	Cowan
#47 Vermillion River	Dwain Davies	Dauphin
#48 Wilson River	Ernie Bayduza	Dauphin
#49/102 Fishing/Fork/Mossey River	Mike Semeniuk	Ethelbert
#93 Upper Valley River	James Michaluk	Gilbert Plains
#95 Lower Valley River/Mink Creek	Wayne Banting	Grandview
#103 Garland/Point River	Ken Shewchuk	Garland
#104/105 Pine/Sclater/Duck River	Morris Humeniuk	Cowan
Provincial Appointee	Syd Puchailo	Gilbert Plains

Summary

The programs implemented by the conservation district address local land and water management issues. Watershed studies have contributed to the knowledge base of our governance structure and watershed residents. The studies will continue to outline the priorities for conservation district planning and programming. The ongoing Wilson Watershed Resource Study and the initiation of the East Duck Mountain/ Sagemace Bay Integrated Watershed Management Plan are high priorities for the conservation district. Extensive education activities have encouraged the youth within the IMCD to become more involved in resource conservation and management. Landowner uptake of programming continues to be strong. The diversity of the District's landscape, resources and scenic features provide a variety of challenges and opportunities.

TOTAL EXPENDITURES 2007-2008

Activity	Expenditure
Watershed Planning	$ 68,089.05
Administration	$ 39,727.30
Assets	$ 4,865.79
Public Education	$ 88,406.84
Soil Management	$ 87,954.80
Water Management	$ 102,480.83
Board Expenses	$ 17,964.12
TOTAL	$ 409,488.73

For further details see Auditor's Report, Appendix D.

Watershed Planning

- Collected and reviewed background information for the Wilson River watershed study
- Held Technical Advisory Committee meetings for the Wilson River watershed study
- Continued efforts towards the implementation of the Valley River watershed study and the Vermillion River watershed study
- Initiated and signed of the Memorandum of Understanding for the East Duck Mountain/ Sagemace Bay Integrated Watershed Management Plan

Administration

- Consisted of costs associated with ensuring the continued operation of the office, including salaries and expenses of administrative staff, office supplies and operational expenses, office rental and utilities, legal, accounting and/or service fees
- Completed some renovations and maintenance on the IMCD office

Assets

- Purchased a mobile trailer for the education center

Public Education and Extension Services

- Presented watersheds to the Grade seven and eight class in Camperville
- Sponsored a field trip to IMCD Education Center and Garland River for the grade eight class at Winnipegosis Elementary School
- Hosted an information session with a group of representatives from Makelele University in Uganda and the University of Manitoba
- Completed the trail, constructed of four pedestrian bridges, and developed learning stations adjacent to the Shanty Creek Watershed Education Center
- Initiated of a resource library at the IMCD office
- Hosted a tour of the Wilson River Watershed for the Wilson River Study Committee and the Technical Advisory Group to view past projects and sites of interest
- Contributed to the annual Manitoba Conservation District Association magazine and attended the annual Manitoba Conservation District Association convention in Brandon

- Awarded IMCD Youth Awards to Kevin Hykawy and Ossee Podolsky of Ethelbert and to Bobbi-Jo Robak and Myranda Stratuliak from Ethelbert
- Awarded IMCD Poster Competition awards to the grade three students from Barker School in Dauphin
- Sponsored Ducks Unlimited Canada's Oak Hammock Marsh Legacy Tour to do presentations at elementary schools in Winnipegosis, Ethelbert, Grandview and Dauphin
- Awarded Intermountain Sport Fishing Enhancement Group of Dauphin with a Conservation District Award

Soil Conservation

- Constructed 14 grassed waterways
- Maintained five existing grassed waterways
- Continued with the maintenance of two tree plantations

Water Management

- Sealed four abandoned wells
- Completed six stream bank stabilization projects
- Completed four waterway management projects
- Installed 1000 meters of pasture pipeline for off-site watering
- Conducted two off-site watering trials

External Funding

Program / Partner	**Funding**
Fisheries and Oceans Canada	$ 5,000.00
Sustainable Development Innovations Fund (SDIF)	$ 5,400.00
Hometown Green Team	$ 2,721.00
Board Revenue and Interest	$ 8,729.00
Local Groups	$ 200.00
Landowner Contributions	$ 36,884.00
TOTAL	**$ 58,934.00**

Kelsey Conservation District

Introduction

Kelsey Conservation District (KCD) has been in operation since January 1999. The District is comprised of the Municipality of Kelsey including the Pasquia and Carrot River settlements, Rall's Island, Wanless and Cranberry Portage. The KCD office is located in the Town of The Pas. The Board of Directors represents approximately 2,750 residents and covers an area of approximately 900 square kilometres.

KELSEY CONSERVATION DISTRICT
BOARD MEMBERS 2007–2008

DISTRICT	**CHAIRPERSON**	**ADDRESS**
Chairperson	Kathy Joyal	Rall's Island
Cranberry Portage	Dave Cupples	Cranberry Portage
Vice Chair	Gwen Donohoe	Pasquia Settlement
Wanless	Kelvin Dionne	Wanless
Provincial Appointee	Neil Scott	The Pas

Summary

The KCD continues to focus on developing and delivering programs around sustainable agriculture and source water protection. All of the programs offered through the District can be directly linked to improving water quality. A source water protection plan is underway with the assistance of a consultant. Recreation and tourism are the focus of programming in Wanless and Cranberry Portage, the two communities within the District that are north of the 54th parallel. An ongoing District priority is developing partnerships with outside agencies.

TOTAL EXPENDITURES 2007-2008

Activity	**Expenditure**
Watershed Planning	$ 14,597.00
Administration	$ 17,464.00
Assets	$ 10,708.00
Public Education	$ 49,735.00
Wildlife and Fisheries	$ 3,284.00
Soils	$ 25,764.00
Water	$ 56,163.00
Recreation & Tourism	$ 658.00
Board & Staff Development	$ 37,037.00
Total	**$ 215,410.00**

For further details see Auditor's report, Appendix E.

Administration

- Consisted of office supplies, utilities, and portions of staff wages

Assets

- Purchased some software programs

Public Education and Extension Services

- Continued discussions regarding conservation district expansion
- Hosted District tour and year in review with a pit roast in August
- Distributed a quarterly newsletter
- Submitted articles in local newspaper
- Submitted KCD article to the Manitoba Conservation District Association magazine
- Continued to develop a source water protection plan
- Promoted district activities and projects with signage

Wildlife/Fisheries and Habitat Programs

- Built bat and bird boxes with Scouts and high school students
- Partnered with Ducks Unlimited and Manitoba Conservation on the Summerberry Project

Soil Conservation

- Assisted with four swath grazing projects
- Assisted with six burdock control sites
- Completed 35 forage and soil sampling projects
- Planted 5,000 trees
- Assisted with a bale grazing site, one rotational grazing site and one saline soil site
- Consulted and advised landowners with saline soils

Water Management

- Sealed 19 abandoned wells
- Assisted with two riparian exclusion fencing projects
- Installed one livestock watering systems
- Disinfected six wells
- Completed two manure management projects
- Conducted water sampling at 14 sites
- Completed one manure composting project
- Completed two buffer strip projects
- Assisted landowners with drainage issues
- Consulted landowners regarding native grass planting

External Funding

Program / Partner	Funding
Local Groups	$ 3,475.00
Landowner	$ 3,050.00
TOTAL	$ 6,525.00

La Salle Redboine Conservation District

Introduction

The La Salle Redboine Conservation District (LSRBCD) was created in January, 2001. The LSRBCD encompasses 7,000 square kilometres of central Manitoba, extending from Spruce Woods Provincial Park in the west, Fort Whyte Center in Winnipeg in the east, Delta Marsh on Lake Manitoba in the north and near Carman to the south.

The LSRBCD features a diverse landscape characterized by rolling sand hills, glacial till deposits and the Manitoba Escarpment in the west to Red River flood plain clay deposits in the east. This unique landscape has encouraged the LSRBCD to promote a variety of conservation programs for its 37,000 residents.

The LSRBCD includes the rural municipalities of Victoria, South Norfolk, Dufferin, Grey, Cartier, MacDonald, portions of Portage la Prairie and Ritchot, the Towns of Treherne, Carman, St. Claude and the City of Portage la Prairie. The LSRBCD is divided into eight Sub-Districts and involves 49 Sub-District members.

LA SALLE REDBOINE CONSERVATION DISTRICT
BOARD MEMBERS 2007-2008

SUB-DISTRICT	CHAIRPERSON	ADDRESS
Board Chairperson	Toby Trimble	Portage la Prairie
#18 Boyne – Norquay	Roy Wood	Carman
#21 Central La Salle	Richard Penner	Elm Creek
#22 Lower La Salle	Rodney Burns	Starbuck
#24 Upper La Salle	Claude Menard	Elie
#71 Cypress River	Raymond Huggart	Treherne
#100 Long Lake	Louis Souque	Haywood
#100A Assiniboine	Marshall Piper	Cartier
#101 Delta	Walter Keryluk	Portage la Prairie

Summary

The focus of LSRBCD is soil and water conservation programming. Priority programs were well sealing, erosion protection, livestock relocation and tree planting. The District continued to investigate water retention and quality improvement programming.

The Equivalent Agri-Environmental Plan (EAEP) initiative in the Boyne Watershed raised awareness of nutrient land pathogen loading in the watershed. One back-flood area was established under the Equivalent Agri-Environmental Plan and several retention wetlands have been planned for construction. Top-up funding was provided for 14 beneficial management projects initiated under the Equivalent Agri-Environmental Plan.

A Boyne River watershed wetland inventory has been initiated to determine locations of former and current wetlands. The conservation district developed site plan to construct and area that will provide over 3500 acre feet of storage, flood protection capacity and enhanced wildlife habitat.

A significant portion of the Stephenfield Reservoir has been fenced and off-site watering systems provided to protect drinking water from "point source" pollution.

The La Salle River Watershed Management Plan has progressed with release of the State of the La Salle River Watershed Report for public review.

Thirty five surveys or mapping projects were completed by the LSRBCD. New programming in 2007-08 was developed to promote Urban Naturalization and Community Education.

TOTAL EXPENDITURES 2007-2008

Activity	Expenditure
Watershed Planning	$
Administration	$
Assets	$
Public Education	$
Soil Conservation	$
Water Management	$
TOTAL	**$**

For further details see Auditor's report, Appendix F.

Watershed Planning

- Held two Integrated Watershed Management Plan full board meetings and two Project Management meetings
- Developed the La Salle River Watershed Report developed for final public approval by June 2008
- Initiated a Wetland Inventory High Resolution aerial photo catalogue for analysis by LSRBCD staff for the Boyne River watershed
- Organized and partnered with Pembina Valley Conservation District in the delivery of an Equivalent Agri-Environmental Plan for the Boyne River watershed with Manitoba Agriculture, Food and Rural Initiatives and Agriculture and Agri-Food Canada-Prairie Farm Rehabilitation Administration

Administration / Assets

- Consisted of office cleaning, office supplies, utilities, phone, Internet and some staff salaries

Public Education

- Supported five public producer meetings attended by 220 participants through the Boyne River Equivalent Agri-Environmental Plan which had a strong educational component
- Met with municipal councils to highlight the community environmental value of the conservation district program
- Presented to the Tiger Hills Arts community regarding conservation district accomplishments and visions
- Met with several groups including the Village of St Claude, the Rural Municipality of South Norfolk, and private individuals interested in providing suitable wetland wilderness areas and/or funding for student and public education
- Sent La Salle Redboine program menus to all conservation district residents bringing attention to the projects we support
- LSRBCD board, Sub-District members and staff attended the annual Manitoba Conservation District Association conference

- Selected and presented the Conservation Districts Award to John and Jan Maggerell, who own and manage a large grain and beef operation near La Salle
- Sponsored the participation of two teams from the Fairholme Colony at the Envirothon
- Hosted one conservation district tour and two Boyne River Equivalent Agri-Environmental Plan tours

Soil Conservation

- Planted one ten hectare salinity seed project
- Planted 3.62 kilometres of field shelterbelts
- Planted land fills and river banks were planted with community, totalling 4000 trees
- Completed four gully erosion and three erosion control projects
- Installed five grassed waterways
- Partnered with the Rural Municipality of Dufferin to complete one major municipal erosion control project
- Undertook smaller projects in Victoria and South Norfolk
- Stabilized one river bank area with tree plantings through the Equivalent Agri-Environmental Plan
- Seeded eight hectares of forage seeded in sensitive and/or saline areas
- Partnered with Prairie Farm Rehabilitation Administration in mapping an Agricultural Land Inventory within the La Salle River Watershed

Water Management

- Sealed ten abandoned wells and shock chlorinated five wells
- Assisted 65 participants during the annual well water testing day
- Completed one water retention project
- Installed one off-site watering system
- Completed one riparian fencing project
- Completed an additional six livestock exclusion fences with off-site watering systems through the Equivalent Agri-Environmental Plan Group Planning program
- Completed one temporary storage dam with a five hectare back-flood under the Equivalent Agri-Environmental Plan
- Relocated two livestock operations, which removed approximately 300 head of cattle from the water course
- Installed two pasture pipelines

External Funding

Program/Partner		**Funding**
Manitoba Water Stewardship Fund– Stephenfield Lake Fencing project	$	7,484.00
Manitoba Water Stewardship – Integrated Watershed Management Plan	$	613.77
Sustainable Development Innovations Fund	$	1,761.03
Equivalent Agri-Environmental Plan grant	$	34,066.47
Manitoba Hydro (Carman land fill trees)	$	3,558.31
Hometown Green Team	$	4,162.99
Oak Hammock Marsh (survey services)	$	478.00
TOTAL	$	52,124.57

Lake of the Prairies Conservation District

Introduction

The Lake of the Prairies Conservation District (LPCD) was established in 2001. The LPCD is bordered by Duck Mountain Provincial Park to the north, Riding Mountain National Park to the east, Saskatchewan to the west and the Village of Binscarth to the south. The LPCD covers an area of approximately 3,408 square kilometres.

LPCD includes the rural municipalities of Russell, Shellmouth-Boulton, Shell River, and Silver Creek and the Towns of Russell and Roblin and the Village of Binscarth. The District is comprised of six Sub-Districts and involves 34 Sub-District members.

LAKE OF THE PRAIRIES CONSERVATION DISTRICT
BOARD MEMBERS 2007 – 2008

SUB-DISTRICT	CHAIRPERSON	ADDRESS
Board Chairman	Ron Turetsky	Shortdale
#79 Silver Creek	Alwyn Derkatch	Russell
#91 Shell River	Wayne Buick	Roblin
#92A Assiniboine River North	Mike Shenderevich	Roblin
#92B Assiniboine River South	Darryl Zentner	Russell
#92C Thunder Creek	Geordie Daneliuk	Russell
#94 Valley River	Rick Olding	Inglis
Provincial Appointee	Gene Nerbas	Shellmouth

Summary

The LPCD completed the sixth year of operation and continues to promote land and water conservation through planning and programming. The District continued its partnership with the Upper Assiniboine River and Little Saskatchewan River Conservation Districts with Integrated Watershed Management Planning for four watersheds. The District completed the Equivalent Agri-Environmental Plan partnerships with Manitoba Agriculture, Food and Rural Initiatives and Agriculture and Agri-Food Canada-Prairie Farm Rehabilitation Administration and hosted the annual Manitoba Conservation Districts Association (MCDA) annual tour.

TOTAL EXPENDITURES 2007 - 2008

Activity	Expenditure
Watershed Planning	$ 54,049.00
Administration	$ 25,911.00
Public Education	$ 50,152.00
Wildlife / Fisheries	$ 1,901.00
Forestry	$ 3,734.00
Soil Conservation	$ 37,830.00
Water Management	$ 37,135.00
Miscellaneous	$ 7,012.00
TOTAL	**$ 217,724.00**

For further details see Auditor's Report, Appendix G.

Watershed Planning

- Participated in several Watershed Planning Advisory Team meetings
- Continued work on a State of the Watershed report for the Shell River and the Upper Assiniboine River watersheds
- Completed Equivalent Agri-Environmental Plan for the Shell River and Upper Assiniboine River watersheds in partnership with Prairie Farm Rehabilitation Administration, Manitoba Agriculture, Food and Rural Initiatives and Upper Assiniboine River Conservation District

Administration

- Consisted of utilities, phone, internet, building maintenance, insurance, professional fees and some staff salaries and expenses

Assets

- Purchased two new computers and server
- Purchased an ATV

Public Education

- Hosted the annual Manitoba Conservation District Association provincial tour, which was a great success, and attracted 78 participants including the Minister of Water Stewardship
- Held annual watershed poster and watershed display competition within district public schools (winners of the watershed display competition went on to compete in the Provincial competition held at the Manitoba Conservation District Association convention)
- Developed a full color information brochure to help raise public awareness of the conservation district
- Hosted one field trip for district public school students
- Completed in-school presentations on a variety of subjects
- Revamped and expanded the district website (www.lpcd.mb.ca)
- Recognized Royston Farms with the annual Conservation Districts Award
- Provided several articles to the Russell Banner and Roblin Review

Wildlife / Fisheries

- Supplied one beaver leveller to a landowner
- Maintained the Inglis Marsh Boardwalk and Interpretive Trail, completed directional signage and produced an informational brochure

Forestry

- Assisted with one community reforestation site
- Hosted two educational seminars on woodlot management

Soil Conservation

- Provided forage establishment assistance for nine landowners for a total of 229.6 hectares
- Provided winter cereal establishment assistance for three landowners for a total of 121.5 hectares
- Provided zero-till incentive assistance for eight landowners for a total of 189 hectares
- Assisted two Municipalities repair of ditch erosion
- Subsidized one landowner for a variable rate fertilizer project
- Subsidized one Short-Term Rotational Forage study

Water Management

- Sealed three abandoned wells
- Assisted with eight alternate watering sites
- Installed a trial alternative watering system at four sites
- Assisted two landowners with the installation of over 3.8 km of pasture pipelines
- Assisted seven landowners with installation of over 32.9 km of riparian fencing
- In partnership with funding from Ducks Unlimited, delivered the saline seed program to four landowners and seeding of 40.5 hectares of problem saline areas to permanent cover
- Completed one stream bank stabilization project
- Initiated one nutrient loading study on Spear Lake

External Funding

Program/Partner	**Funding**
Manitoba Water Stewardship – Integrated Watershed Management Plan grant	$ 2,590.00
Manitoba Hydro	$ 622.00
Eco Canada	$ 3,950.00
Prairie Farm Rehabilitation Administration – Agriculture and Agri-Food Canada	$ 13,713.00
Manitoba Conservation District Association	$ 4,500.00
PCFDC	$ 500.00
Ducks Unlimited Canada	$ 900.00
Human Resources Canada	$ 3,684.00
Fisheries Enhancement Fund	$ 5,209.00
Manitoba Agriculture, Food and Rural Initiatives – Covering New Ground	$ 7,823.00
Community Places / Main Streets	$ 1,000.00
TOTAL	**$ 44,491.00**

Little Saskatchewan River Conservation District

Introduction

The Little Saskatchewan River Conservation District (LSRCD) was formed in 1999 as the 11th conservation district in Manitoba and encompasses four towns and all or part of ten Municipalities. The District covers approximately 4,200 square kilometres and has a population of approximately 10,500 residents.

The LSRCD takes in the majority of the Little Saskatchewan River watershed and part of the Oak River watershed, which are both part of the larger Assiniboine River Basin. Some of the unique features of the District include the prairie pothole landscape, significant slope, steep valley walls, and an abundance of wildlife. Six Sub-District committees work in a resource planning advisory capacity to the Board.

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT
BOARD MEMBER 2007-2008

SUB-DISTRICT	BOARD MEMBER	ADDRESS
Board Chair	Rod Veitch	Rivers
#72A – Upper Oak	Ron Budiwski	Olha
#72B – Lower Oak	Ralph Sprenger	Alexander
#81A – Upper Central Little Saskatchewan	Ray Frey	Onanole
#81B – Lower Central Little Saskatchewan	Ken Cook	Minnedosa
#82A – Upper Little Saskatchewan	Phil Tyschinski	Sandy Lake
#82B – Lower Little Saskatchewan	Evan Smith	Rapid City
Provincial Appointee	Vacant	

Summary

The LSRCD continued to move forward with the Little Saskatchewan River and Arrow-Oak River watershed Integrated Watershed Management Plan process, in partnership with the Lake of the Prairies and Upper Assiniboine River Conservation Districts. Protection of soil, source water, and habitat through incentive funding and education continued to be priority areas. Partnerships with other agencies were continued as a tool to augment watershed stewardship initiatives.

TOTAL EXPENDITURES 2007-2008

Activity	Expenditure
Watershed Planning	$ 26,566.29
Administration	$ 37,237.15
Public Education	$ 62,680.14
Forestry	$ 8,195.76
Wildlife / Fisheries	$ 15,323.08
Soil Management	$ 165,702.57
Water Management	$ 56,950.37
TOTAL	$ 372,655.36

For further details see Auditor's Report, Appendix H.

Watershed Planning

- The watershed planning advisory team reviewed technical data submissions for the Integrated Watershed Management Plan
- Preparation for the State of the Watershed was initiated; the reports will focus on five resource areas including surface water, ground water, source water, habitat, and soils. Management concerns and recommended actions will be included in each chapter

Assets

- Built a new office in Oak River in 2007

Administration

- Consisted of supplies, rental, utilities, and professional fees
- Reviewed and submitted a response to the Conservation District Framework for the Future Discussion Document
- Hired a term technician to deliver the LSRCD program during the secondment of the GIS Technician to the Alternate Land Use Services project
- Hired a student for 16 weeks with funding provided by the Hometown Green Team program

Public Education

- Partnered with the First Minnedosa Scouts, Tanner's Crossing School, and Town of Minnedosa to plant trees in Minnedosa
- Hosted an abandoned well sealing workshop for local contractors
- Sponsored the Oak River Colony students as they participated in the Envirothon in Brandon, Manitoba
- Staff attended two summer day camp events where the youth looked at slough water samples containing invertebrates
- Facilitated the Classrooms and Creeks program, where students from Rivers Collegiate and Minnedosa Collegiate participated. Water samples from local watersheds were analyzed by students and a lesson was given on the relationship between water quality and riparian health
- Recognized Alan & Barbara Dalrymple and family from Minnedosa with a Conservation Districts Award
- Eco-Science Camp participants searched for natural resource treasures at Camp Wannakumbac

Wildlife Programs

- Installed beaver pond leveller pipes in an effort to reduce damage to infrastructure

Forestry

- Five additional landowners participated in the "Woodlots for Healthy Watersheds" pilot program
- Initiated the Agro-Woodlot Program as a new joint venture between the LSRCD, Riding Mountain Biosphere Reserve, Nature Conservancy Canada, and Manitoba Agriculture, Food and Rural Initiatives

Soil Management

- Delivered a forage seed assistance program in partnership with Ducks Unlimited Canada, where 863 hectares were seeded
- Seeded over 223 hectares of marginal land through the Seed Drill Program
- Seeded 49 hectares of salinity forage for nine landowners in partnership with Ducks Unlimited Canada
- Four landowners utilized the pasture improvement program to protect soils from damage by livestock
- Aided in the delivery of the second year of the Alternative Land Use Services pilot project, including project management and communications

Water Management

- Four landowners used the rental solar panel watering system during the warm-season months to determine if a similar system would benefit their operation
- Sealed 16 abandoned wells
- Performed runway stabilization to repair an actively eroding gully
- Coordinated the submission of 200 well water samples for analysis from residents on Well Water Testing Day
- Installed 1.8 km of pasture pipeline to improve pasture use
- Discussed water management with area landowners and agencies such as those responsible for instream flow assessment in the Little Saskatchewan River and the Shellmouth Reservoir operations

External Funding

Program/Partner	**Funding**
Prairie Farm Rehabilitation Administration-Agriculture and Agri-Food Canada	$ 38,585.81
Sustainable Development Innovations Fund	$ 3,305.49
Water Stewardship Fund	$ 1,812.38
Wildlife and Ecosystem Protection	$ 3,797.27
Hometown Green Team	$ 2,263.20
Ducks Unlimited	$ 27,284.00
Board Revenue and Interest	$ 3,660.15
Alternate Land Use (ALUS)	$ 50,055.50
Landowner – Project Contributions	$ 19,289.52
TOTAL	**$ 150,053.32**

Mid Assiniboine River Conservation District

Introduction

Mid Assiniboine River Conservation District (MARCD) was formed in 2002 in partnership with the rural municipalities of Elton, Cornwallis and Whitehead. The District is 1,546 square kilometres in size and includes the Willow Creek and Little Souris River, both of which flow into the Assiniboine River. The topography is varied and soils range from Stockton sands to Assiniboine clays. MARCD is divided into three Sub-Districts to focus program planning and delivery.

MID ASSINIBOINE RIVER CONSERVATION DISTRICT
BOARD MEMBERS 2007-2008

SUB-DISTRICT	CHAIRPERSON	ADDRESS
Board Chairperson	Wes Williamson	Alexander
98 A Little Souris A	Kurt Wassenburg	Shilo
98 A Little Souris A	Richard Esau	Brandon
98 B Little Souris B	Gord Beddome	Douglas
98 B Little Souris B	Heather Dalgliesh	Shilo
99 A Willow Creek	Harvey Paterson	Forrest
99 A Willow Creek	Ross Farley	Douglas

Summary

The primary activity was the successful completion of the merger with Tiger Hills Conservation District. The amalgamation with Tiger Hills to form the Assiniboine Hills Conservation District also included the addition of five new municipalities. The District continued its efforts to increase awareness and participation in land and water conservation programming in 2006-2007. The District successfully completed a partnership with the Manitoba Habitat Heritage Corporation and Manitoba Infrastructure and Transportation and participated in two equivalent farm planning initiatives.

TOTAL EXPENDITURES 2007-2008

Watershed Planning	$ 41,531.00
Administration	$ 38,117.00
Assets	$ 4,444.00
Public Education	$ 34,089.00
Wildlife / Fisheries	$ 3,322.00
Forestry	$ 741.00
Soil Conservation	$ 24,387.00
Water Management	$ 33,956.00
Drain Infrastructure	$ 1,076.00
TOTAL	$ 181,663.00

For further details see Auditors Report, Appendix I.

Administration

- Consisted of office operation, audit and legal fees, office supplies, bank charges, Manitoba Conservation District Association dues, board remuneration, staff training and education, and a portion of staff wages

Public Education

- Held the Southwest Manitoba Water Festival
- Organized two youth waterfowl hunts
- Presented Murray and Boyd Richardson with the annual Conservation District Award
- Distributed the Watershed Currents newsletter
- Participated in two Grazing Club tours

Wildlife / Fisheries

- Implemented the Assiniboine Habitat Bank Project in partnership with the Manitoba Habitat Heritage Corporation and Manitoba Infrastructure and Transportation

Soil Conservation

- Distributed forage seed to seven producers to seed a total of 123 hectares
- Created 20 hectares of grassed waterways
- Assisted one producer with 16 hectares of green manure crops
- Assisted two producers with rotational grazing projects
- Initiated two mixed species grazing programs
- Assisted seven producers to sow 135 hectares of crop in the fall

Water Management

- Sealed 11 abandoned wells
- Assisted with the establishment of 16 water supply projects
- Rented the pipeline plough to two producers
- Assisted with numerous individual Environmental Farm Plans

External Funding

Program/Partner	**Funding**
Manitoba Infrastructure & Transportation	$ 25,195.00
WRAPP	$ (1,543)
Local Groups	$ 26,515.00
TOTAL	**$ 50,167.00**

Pembina Valley Conservation District

Introduction

The Pembina Valley Conservation District (PVCD), incorporated in October 1989, covers 5,164 square kilometres of southern Manitoba. The PVCD shares a boundary with North Dakota and its principal landscape features include the Pembina Valley, the Manitoba Escarpment, the Tiger Hills, the Cypress River Valley, and part of the Red River Valley.

The PVCD is a partnership between the 20,529 residents of the six Municipalities, three Towns and two Villages that make up the District. There are eight Sub-Districts, representing sub-watersheds within the District. The strength of this partnership lies in the grassroots approach and strong support from Manitoba Water Stewardship and external agencies.

PEMBINA VALLEY CONSERVATION DISTRICT
BOARD MEMBERS 2007-2008

SUB-DISTRICT	CHAIRPERSON	ADDRESS
Board Chairperson	Murray Seymour	Darlingford
Boundary Area	Brenda Seward	Manitou
Lizard Lake	Walter McTavish	Miami
Swan Lake	Larry Van Cauwenberghe	Swan Lake
Tiger Hills	Gerry DeSmet	Cypress River
Pembina Escarpment	Don Alexander	Miami
Crystal/Cypress	Henry Harms	Crystal City
Badger Creek	Howard Ganske	Cartwright
Dead Horse	Ken McElroy	Darlingford

Summary

In 2007-2008 the PVCD program is highlighted by partnerships, offering fundamental soil and water management programs, and working with landowners to encourage conservation practices. Resources were targeted towards water quality protection and include: watershed planning, source water protection, water control, water testing, shock chlorination, well assessment and abandoned well filling. Water and soils were protected through partnering with landowners to create multipurpose water retention areas, gully stabilization and grassed waterway projects.

The PVCD also partnered with producers to complete several projects with funding from the Equivalent Agri-Environmental Plan through Agriculture and Agri-Food Canada-Prairie Farm Rehabilitation Administration and Manitoba Agriculture, Food and Rural Initiatives. Funding assistance was also received through the Equivalent Agri-Environmental Plan program for a technician to work on implementation. The PVCD entered into many successful partnerships in addition to the provincial grant funding received from Manitoba Water Stewardship, and include: Ducks Unlimited Canada, Manitoba Conservation, Manitoba Hydro, Manitoba Agriculture, Food and Rural Initiatives, Manitoba Habitat Heritage Corporation, and Canada-Manitoba Water Expansion Program.

TOTAL EXPENDITURES 2007-2008

Activity	Expenditure
Watershed Planning	$ 59,086.00
Administration	$ 46,470.00
Assets	$ 46,684.00
Public Education	$ 38,017.00
Wildlife / Fisheries	$ 28,179.00
Soil Conservation	$ 22,333.00
Water Management	$ 377,778.00
TOTAL	$ 618,547.00

For further details see Auditor's Report, Appendix J.

Watershed Planning

- Developed and implemented several planning and programming efforts including initiatives in: the Coleman Watershed, Goudney Reservoir, Pembina River Basin, Assiniboine Delta Aquifer, Stephenfield Lake, Stoney Creek, Tobacco Creek, Winkler Aquifer, Red River Basin and Lizard Lake
- Completed work on two Equivalent Agri-Environmental Plan projects in the Coleman and Stephenfield watersheds

Public Education

- Provided highlights of PVCD activities to the local communities through local newspapers and newsletters
- Sponsored Ducks Unlimited Canada's On-the-Go program for ten local schools, and sponsored a teacher to attend the "Red River and You" Conference at Oak Hammock Marsh, and delivered several educational sessions in and out of the classroom
- Assisted the PVCD Envirothon Club to provide a fun environmental education opportunity for local high school youth
- Maintained the 13 hectare Binney Corner Nature Preserve to provide education, recreation and nature appreciation activities
- Presented Daryl and Diane Devos of Bruxelles with the annual Conservation District Award
- Awarded Erin Thorleifson of Nellie McClung Collegiate as the PVCD Youth Speaker of the year
- Held six eighth-grade water related tours
- Sponsored a holistic management workshop to provide information to area producers
- Sponsored two grazing management and riparian management events for producers
- Held six eleventh-grade riparian and watershed planning related tours

Wildlife / Fisheries

- Partnered with Manitoba Hydro's Forest Enhancement program to purchase 733 trees for planting in seven local community parks and public areas
- Partnered with Manitoba Habitat Heritage Corporation and Manitoba Agriculture, Food and Rural Initiatives to support four riparian workshops
- Partnered with Ducks Unlimited Canada to encourage 13 landowners to sow salinity seed for 86 hectares of permanent cover
- Partnered with Arocha Canada on an educational program highlighting the Pembina Valley as an important raptor migratory corridor. Arocha Canada conducts a yearly spring migratory bird count along with a public Hawk Day to promote this activity

Soil Conservation

- Provided forage seed assistance to 15 co-operators with a total of 353 hectares sown to permanent cover
- Completed one gully stabilization project
- Established and maintained two grassed waterways
- Completed four stream-bank stabilization projects
- Installed a check-strip forage plot demonstrating different varieties of native grasses

Water Management

- Constructed 30 back flood, stabilization and water retention projects
- Sealed 51 abandoned wells
- Shocked and completed a well assessment on six wells
- Conducted private well water testing on 171 samples

External Funding

Partner/Program		**Funding**
Manitoba Hydro - Forest Enhancement Program		$ 12,452.00
AAFC-PFRA (Equivalent Agri-Environmental Plan)		$ 19,553.00
Manitoba Conservation – Environmental Youth Corp		$ 3,650.00
Land Owners - water testing, shocking, well filling		$ 9,165.00
Canada Employment – Canada Summer Jobs		$ 3,126.00
Hometown Green Team		$ 9,053.00
Ducks Unlimited Canada		$ 4,320.00
Canada-Manitoba Water Expansion Supply Program (CMWSEP)		$ 9,944.00
Fisheries Enhancement Fund		$ 3,900.00
Miscellaneous Office/Tours Etc.		$ 448.00
Rent Revenue		$ 9,500.00
GIS Photo Revenue		$ 170.00
Manitoba Habitat Heritage Corporation		$ 99.00
Inventory Revenue		$ 1,940.00
Interest and Investment		$ 5,680.00
	Total	**$ 93,000.00**

Seine-Rat River Conservation District

Introduction

The Seine–Rat River Conservation District (SRRCD) is bordered by Winnipeg to the Northwest, the Red River to the West, Sandilands Provincial Forest to the East, and the Roseau River watershed to the South. The SRRCD covers 3,732 square kilometres and includes approximately 51,312 residents.

The SRRCD includes all or part of the rural municipalities of De Salaberry, Hanover, La Broquerie, Reynolds, Ritchot, Springfield, Ste. Anne, Stuartburn and Taché, the Town of Ste. Anne, the Village of St. Pierre, and the City of Steinbach. The conservation district is comprised of six Sub-Districts and involves 50 Sub-District members.

SEINE-RAT RIVER CONSERVATION DISTRICT
BOARD MEMBERS 2007-2008

SUB-DISTRICT	CHAIRPERSON	ADDRESS
Board Chairperson	Cornie Goertzen	Steinbach
#3 / 4 – Lower Rat River / Joubert Creek	Claude Gagne	St. Pierre
#5 – Marsh River	Gerry Maynard	St. Malo
#6 – Tourond Creek	Paul Perreault	Grunthal
#7 – Manning Canal	Sonny Peters	New Bothwell
#8 – Upper Seine River	Laurie Evans	Ste. Anne
#9 – Lower Seine River	Maurice Leclaire	Ile des Chênes

Summary

The activities of the SRRCD focused mainly on surface water management and protecting groundwater. The surface water management activities included identifying water retention sites and a flood protection study. Other activities included continuing progress on the Seine River Integrated Watershed Management Plan, sealing abandoned wells, watershed education initiatives, well water testing, surface water quality monitoring, wildlife habitat enhancement, and pasture management. The completion of the Seine River Integrated Watershed Management Plan will help to focus resources and programming to make improvements to the health of their watersheds.

TOTAL EXPENDITURES 2007-2008

Activity	Expenditure
Water Management	$ 315,820.00
Administration	$ 62,848.00
Assets	$ 5,686.00
Public Education	$ 109,857.00
Wildlife / Fisheries	$ 1,334.00
Soil Conservation	$ 26,248.00
TOTAL	$ 521,793.00

For further details see Auditor's Report, Appendix K.

Watershed Planning

- Held two Watershed Planning Advisory Team meetings and six Project Management Team meetings for the Seine River Integrated Watershed Management Plan
- Held the second round of public consultation meetings in La Broquerie and Ile des Chênes in April 2008

Administration

- Consisted of office rent, telephone, office supplies, maintenance of office equipment, insurance, audit, legal fees, salaries and benefits

Assets

- Purchased two computers and one monitor, copier/fax machine, and office furniture
- Partnered with several municipalities to purchase digital aerial imagery to assist with project planning

Public Education

- Recognized the Seine River Shepherds with a Conservation District Award
- Supported 15 environmental education presentations in 11 elementary schools in partnership with the Oak Hammock Marsh Interpretive Center
- Maintained and improved the SRRCD website (www.srrcd.ca)
- Mailed out SRRCD programs literature to all district residents
- Installed five new SRRCD highway signs around the District
- Assisted in the Amazing Agriculture Adventure and Ag in the Classroom – Teacher Learning Adventures
- Presented at Manitoba Agriculture, Food and Rural Initiatives Manure Management Tour, Manitoba Woodlot Association meeting (St. Malo), Beef Days, Forage Days, Crops Days, Steinbach Gardening Club spring meeting, and Red River Basin Commission Annual Conference (Fargo)

Wildlife / Fisheries

- Completed the Duck Nesting Tunnels project – 20 tunnels available for future projects
- Continued enhancement work at the Marchand Wilderness Park

Soil Conservation

- Provided forage research information to producers through the Green Gold Pasture Management project in partnership with Manitoba Agriculture, Food and Rural Initiatives and corporate sponsorship
- Received support from Manitoba Hydro (Forest Enhancement Program) to complete a tree planting project at Marchand
- Completed two tree planting projects
- Assisted landowners with planning shelterbelt projects and acquiring trees / shrubs
- Assisted two landowners with rotational grazing projects

Water Management

- Completed minor culvert maintenance work at Forest Road #13 through an ongoing partnership agreement with Cooks Creek Conservation District and other municipalities
- Assisted 100 local residents with having their well water tested through the annual Well Water Testing Days program
- Continued the surface water quality monitoring project on the Rat River and Joubert Creek
- Sealed 20 abandoned wells and entered well locations into GIS database
- Completed a successful Seine River cleanup project West of Lorette, with approval from Department of Fisheries and Oceans (DFO), and continued to look for additional project sites
- Assisted two landowners with off-site watering projects
- Assisted five landowners with riparian fencing projects
- Completed seven water retention projects
- Completed one Ford crossing rehabilitation project in partnership with the Department of Fisheries and Oceans and the Rural Municipality of Stuartburn
- Investigated the purchase of 640 acres of land for water storage / retention

External Funding

Program / Partner	**Funding**
Interest Earned (towards interest paid at Bank)	$ 660.00
Misc. Rebates	$ 257.00
Corporate sponsorships	$ 2,400.00
Landowner partnerships	$ 2,000.00
SESCO (Ceased operations in 2006)	$ 5,000.00
Fisheries Enhancement Fund	$ 4,600.00
Manitoba Hydro	$ 5,000.00
Rural Municipalities – special projects	$ 74,122.00
TOTAL	**$ 94,039.00**

Swan Lake Watershed Conservation District

Introduction

The Swan Lake Watershed Conservation District (SLWCD) was officially approved in September 2006 and established an office and staff in June 2007. The District covers 4,234 square kilometres and is comprised of all or parts of the rural municipalities of Swan River, Minitonas, Mountain North, Mountain South, the Villages of Benito and Bowsman, and the Towns of Minitonas and Swan River. The District is divided into four sub-watersheds with 28 Sub-District members.

The District is located between the Duck and Porcupine Mountains in west central portion of the province with the Province of Saskatchewan bordering the west and all tributaries drain into Swan Lake and surrounding wetlands to the east.

The landscape below the escarpments is referred to as the Swan River Plains. The SLWCD is one of the most productive agricultural areas of the Province. The diversity of the District's landscape, resources and scenic features provide a variety of challenges and opportunities.

SWAN LAKE WATERHSED CONSERVATION DISTRICT
BOARD MEMBERS 2007-2008

SUB-DISTRICT	**CHAIRPERSON**	**ADDRESS**
Board Chairperson – 2007	Clint Eisner	Minitonas
Board Chairperson – 2008	Walter Pacamaniuk	Minitonas
Roaring River – Favel Creek	Henry Barkowski	Minitonas
Lower Swan River – Lobstick Creek	Bill Sushelnicki	Mountain
Upper Swan River – Lobstick Creek	Dale Offenberger	Benito
Woody River – Birch River	Brian Burick	Bowsman

Summary

The District held its first Sub-District planning session June 13th, 2007 and established initial local programming priorities of surface and groundwater quality/quantity and erosion control for critical infrastructure. Working partnerships were established with Municipal partners, Provincial and Federal Government Departments, Louisiana Pacific Canada Ltd., Swan Valley Regional Secondary School, and local Swan Valley Sport Fishing Enhancement group. District has had discussions to date on inclusion and funding for Provincial and Federal lands within our true closed watershed.

A Policy Manual and Sub-District Handbook has been completed and approved by the Board. Significant planning and alternate funding has been pursued for second year in operation.

TOTAL EXPENDITURES 2007-2008

Activity		Expenditure
Watershed Planning		$ 39.00
Administration		$ 116,686.00
Assets		$ 77,836.00
Public Education		$ 11,386.00
Soil Management		$ 150.00
Water Management		$ 45,964.00
	TOTAL	$ 252,061.00

For further details see Auditor's Report, Appendix L.

Watershed Planning

- Acquired all information compiled in the Swan Lake Basin Management Plan and received solid consensus from stakeholders that the District was the desired outcome of the previous process
- Conducted Sub-District prioritization and planning meetings
- Completed initial contacts with Manitoba and Saskatchewan on a potential pilot project to include the Saskatchewan portion to make a true closed watershed
- Requested "Water Planning Authority" designation from Province
- Participated in planning workshops put on by the Province

Administration

- Consisted of costs associated with ensuring the continued operation of the office, including staff salaries and expenses, office supplies and operational expenses, office rental and utilities, accounting and/or service fees

Assets

- Purchased all office equipment and furniture, new truck, trailer, quad, water pump and some small tools

Public Education

- Acquired Swan Lake Basin Management Plan publications and website and completed initial work on development of the District web site
- Sponsored local Envirothon Team from Swan Valley Regional Secondary School
- Attended professional development seminars/workshops put on by Province
- Three Board members attended the annual Manitoba Conservation District Association convention in Brandon
- Participated in the Swan River Rodeo Parade

Wildlife/Fisheries

- Allocated considerable time and effort to partnership establishment and project prioritization

Soil Management

- Publications/Information

Water Management

- Sealed 31 abandoned wells
- Completed three stream bank stabilization projects involving high priority infrastructure
- Completed one dyke along Swan River to deter extensive damage caused previous year to land and infrastructure
- Removed large debris pile from East Favel River

Tiger Hills Conservation District

Introduction

Tiger Hills Conservation District (THCD) was formed in 2001 in partnership with the rural municipalities of Argyle, Glenwood, Strathcona, South Cypress and the Village of Glenboro. The THCD is 2,950 square kilometres in size and comprised of five Sub-Districts. The topography is varied from undulating hills to the low lying marshlands with soils ranging from Stockton sands to Assiniboine clays.

TIGER HILLS CONSERVATION DISTRICT
BOARD MEMBERS 2007-2008

SUB-DISTRICT	**CHAIRPERSON**	**ADDRESS**
Board Chairperson	Hugh Stephenson	Baldur
#68 - Elgin Creek	Doug Denning	Souris
#56 - Pelican / Rock Lake	Rob Stephenson	Killarney
#70A - Upper Oak	John Chambers	Belmont
#70B - Lower Oak	Rod Durham	Belmont
#99 - Central Assiniboine	Cam Hamilton	Glenboro

Summary

Land and water conservation initiatives were priority programming areas for the District. The District hosted successful public education and extension initiatives focused on sustainable livestock management. Each Sub-District developed programs and projects directed at specific issues within their boundaries. The board prioritized program funding and targeted application approvals toward main concerns in the District.

TOTAL EXPENDITURES 2007-2008

Activity	**Expenditure**
Public Education	$ 31,505.00
Watershed Management	$ 30,040.00
District Programs	$ 149,204.00
TOTAL	**$ 210,749.00**

For further details see Auditors Report, Appendix M.

Administration

- Consisted of office operation, audit and legal fees, office supplies, bank charges, Manitoba Conservation District Association dues, board remuneration, staff training and education, and 10 per cent administrator wages

Public Education

- Sponsored the Oak Hammock Marsh Interpretive Centre to make environmental education presentations at local schools
- Awarded Stonelea Farms the annual Conservation District Award
- Hosted the Rock Lake Ice Fishing and Extension Day
- Held a poster contest and public speaking event for the Manitoba Conservation District Association Convention
- Partnered with the Greener Pasture Grazing Club to deliver workshops
- Distributed the Water Currents newsletter

Wildlife / Fisheries

- Received a riparian and fish habitat study that identified five key projects that will lead to improved water quality in the Pembina River Basin
- Installed three beaver levellers
- Installed 20 artificial nest boxes for the Burrowing Owl Nest Box Project
- Held the Rock Lake Shoreline Stabilization Field Day
- Organized Pelican Lake Shoreline Stabilization Workshop
- Hosted two "Managing the Waters Edge" workshops; one for producers and one for lakeshore cottage owners
- Partnered to host Environmental Farm Plan workshop
- Partnered with the Pembina Valley Conservation District, Manitoba, Manitoba Agriculture, Food and Rural Initiatives and Agriculture and Agri-Food Canada-Prairie Farm Rehabilitation Administration to create magazine highlighting winter livestock Beneficial Management Practices
- Improved walking path in Baldur in partnership with economic development officer

Soil Conservation

- 24 producers utilized the Molehill levelling program
- Provided forage seed to cover 260 hectares
- Assisted with the planting of 560 hectares of fall sown crops
- Distributed saline tolerant forage seed in partnership with Ducks Unlimited Canada
- Installed three grassed waterways
- Completed one erosion control project
- Consulted on three erosion control projects
- Continued to manage and add to the Belmont Fruit Tree Forest
- Assisted with one Rotational Grazing Project
- Completed seven shelterbelts spanning three miles

Water Management

- Installed three in-stream stabilization structures
- Partnered with an rural municipality on an erosion control project
- Sealed 22 abandoned wells
- Shock chlorinated 14 wells
- Installed two off-site watering system
- Enabled seven producers to use trial watering system
- Assisted with four Fall/Winter Grazing Projects
- Assisted four producers with soil testing program

External Funding

Program/Partner	**Funding**
Landowner contributions	$ 13,395.00
Rural Municipality partner contributions	$ 3,438.00
Greencover	$ 2,266.00
Sustainable Development Innovations Fund	$ 10,485.00
Energy, Science & Technology	$ 780.00
Manitoba Forage Council	$ 4,500.00
Fisheries Enhancement Fund	$ 4,000.00
TD Friends of the Environment	$ 700.00
Canadian Wildlife Federation	$ 150.00
Human Resources Development Corp	$ 1,605.00
MB Assoc. of Ag Societies	$ 2,000.00
Infrastructure and Transportation	$ 704.00
Nature Conservancy of Canada	$ 541.00
TOTAL	**$ 44,564.00**

Turtle Mountain Conservation District

Introduction

The Turtle Mountain Conservation District (TMCD) was established in 1973 and covers an area of 4,518 square kilometres in the southwest corner of Manitoba along the international boundary. The District includes the rural municipalities of Arthur, Brenda, Cameron, Morton, Turtle Mountain-Killarney and Winchester and the Towns of Boissevain, Deloraine, and the Village of Waskada.

The District is bounded on the south by the Turtle Mountain uplands, on the east by the headwaters of the Pembina River system and Pelican Lake and on the west by the Souris River. The District is a unique mix of glacial uplands surrounded by a flat, intensively farmed till plain. Several intermittent streams, small lakes and potholes characterize the landscape. The upland areas include native mixed grass prairie and deciduous woodlots, while annual cropping predominantly influences the plains. Located in the center of the District is Whitewater Lake, a large wetland area renowned throughout North America for its natural biodiversity and importance for migratory birds. This mix of topography and natural resources gives rise to many of the activities and programs of the TMCD.

The Province of Manitoba, through Manitoba Water Stewardship, is the major supporting partner for the program, together with a host of cooperating agencies and various departments of government at all levels. The interaction, cooperation and support of local landowners and producers is, however, the cornerstone of the Program, resulting in a sound, well-supported program of sustainable resource management for a very unique region of Manitoba.

TURTLE MOUNTAIN CONSERVATION DISTRICT
BOARD MEMBERS 2007-08

SUB-DISTRICT	CHAIRPERSON	ADDRESS
Board Chairperson	Richard Sexton	Deloraine
#58 – Wakopa Creek	Myna Cryderman	Boissevain
#59 – Upper Pembina	Brian Hammond	Boissevain
#65 – Waskada Creek	Keith Hannah	Waskada
#66 – Medora Creek	Gord Weidenhamer	Deloraine
#67 – Chain Lakes	Murray Phillips	Hartney
#68 – Elgin Creek / Whitewater Lake	Greg More	Elgin
Provincial Appointee	Murray Combs	Deloraine

Summary

The District is proud to have completed its 35th year of operation in 2007-08. Grassroots involvement in 1973 along with the commitment from the local Municipalities and the province to address conservation issues in the region lead to the formation of the Turtle Mountain Resource Conservation District.

Water management programming continued to be the focus. The District sealed fifty nine abandoned wells, assisted with the installation of fifteen remote watering systems, two stone crossings, four bufferstrips projects, fifteen portable winbreaks and eleven rotational grazing projects. The District also secured over 390 hectares of habitat through Conservation Easements and landowners participated in seeding over 500 hectares of land into forages.

TOTAL EXPENDITURES 2007-08

Activity	Expenditures
Administration	$ 42,910.00
Assets	$ 58,670.00
Public Education	$ 111,090.00
Soils	$ 46,777.00
Wildlife/Fisheries	$ 108,515.00
Water Management	$ 190,972.00
TOTAL	**$ 558,934.00**

For further details see Auditors Report, Appendix N.

Administration

- Consisted of general office and warehouse operating costs, including office rent & supplies, photocopier, lease, insurance, utilities, maintenance, employee benefits packages and a portion of staff salaries and expenses

Assets

- Purchased a new riding lawnmower and ATV for surveying purposes
- The Chail Lakes Sub-Division purchased a Cattle Handling system
- Purchased a laser printer for the office
- Purchased components for and constructed a Leafy Spurge sprayer
- Manitoba Water Stewardship dugout pumping equipment was delivered to the District
- Purchased a small trailer for transporting maintenance equipment

Public Education

- Promoted the District project and program through a Farm Trade show in Boissevain
- Developed Co-operative Watershed Currents Newsletter with Mid Assiniboine, Tiger Hills and West Souris River Conservation Districts
- Hosted "Conservation in the Classroom" educational programs for six schools and two colonies
- Held several school tours were throughout the TMCD
- Hosted the "Wetland Ecovan" educational interpretive program at Oak Hammock Marsh
- Aided in interpretive site promotion and maintenance for Metigoshe Natural Area, Newcomb's Hollow, and Whitewater Lake Wildlife Viewing Centre
- Maintained Native Grasses and Wildflowers Interpretive Area within the International Peace Garden
- Delivered Summer Calving and Salinity Tour with the Boissevain-Deloraine-Minto Grazing Club
- Hosted the annual Southwest Manitoba Water Festival, a joint effort with Mid Assiniboine, Tiger Hills and West Souris River Conservation Districts
- Awarded the 2007 TMCD/MCDA Convention Youth Speaking Award to Laughlin McKinnon
- Recognized Bill and Shirley McKinney (McFamco Ltd) with a TMCD Conservation District Award
- Paid for one colony to participate in the 2008 Manitoba Envirothon
- Hosted the THCD Ice Fishing Days at Rock Lake which was attended by grade seven and eight classes from Boissevain
- Constructed riparian area fencing of Turtlehead Creek at Newcomb's Hollow
- Hosted the TMCD annual banquet
- Placed advertisements in local weekly newspapers and participated in radio interviews

Wildlife

- Facilitated TMCD property management for Poole, Lorna Smith, and Moncur properties
- Signed three Conservation Agreements (392 hectares) to permanently secure native wetlands and uplands in the Turtle Mountains in partnership with Manitoba Habitat Heritage Corporation
- Maintenance of the aeration project in the Derksen-Heide Dam near Boissevain
- Planted willow bundles in order to complete the Canada Creek bank stabilization project
- Completed the Abandoned Farmstead inventory along with a list of landowners with eligible farmsteads to be signed up for this voluntary program. Recognition signs will be installed for individuals interested in taking part

Soils Conservation

- Supplied seed to 54 landowners for 242 hectares of saline soil, through the Salinity Seed Program
- Supplied 40 bags of seed to local landowners for 259 hectares of saline soil with Ducks Unlimited Canada's Salinity Seed Program
- Commenced Salinity Seed Program monitoring by sampling land where salinity seed had been distributed, (one within each Sub-district) to establish a baseline for future monitoring
- Purchased seed to complete seeding along Waskada Creek
- Established and maintained a one-kilometre row of newly planted trees with plastic mulch through the shelterbelt program
- Assisted in the maintenance of the Boissevain Tree Nursery and replacement planting for the Deloraine Community Orchard
- Covered a portion of Board and Sub-District member's expenses and remuneration
- Paid for a portion of staff salaries and expenses

Water Management

- The East Souris River Watershed Management Plan was approved by the Province of Manitoba's Minister of Water Stewardship as of April 2007
- Worked on the Surface Water Management Plan including surveys of Medora Creek, Ninga Creek and Waskada Creek
- Partnered with Agriculture and Agri-Food Canada-Prairie Farm Rehabilitation Administration and local rural municipalities (work ongoing) concerning water storage projects for Waskada Creek and Medora Creek Sub-Districts
- Participated in the Pembina River Watershed Management Plan and the literature review of the Long River and Stony and Jackfish Creeks
- Sealed 59 abandoned wells
- Continued surface water monitoring within the District, including water sample collection for Manitoba Water Stewardship at two locations along the Souris River
- Developed and implemented the Volunteer Stream Watch Monitoring Program of surface water sources for the Deloraine, Boissevain and Killarney town water supplies. Information collected from these monitoring sites will be used to develop an educational classroom presentation to be delivered to schools within the District
- Partnered with Ducks Unlimited Canada to sign two Wetland Conservation Agreements (64 hectares) to permanently secure native wetlands and uplands adjacent to Whitewater Lake and surrounding area
- Assisted 15 producers with remote watering systems
- Assisted local residents with shipping costs related to well water testing with a total of 42 samples submitted
- Provided financial assistance towards the Killarney Lake Stabilization
- Continued implementation of planned rotational grazing project at the Adair Dam property
- Established a new Riparian Stewardship Program
- Assisted with;

  - two stone crossings
  - the establishment of four buffer strips
  - 15 portable windbreak
  - 11 Rotational grazing Projects
  - the construction works for two grassed waterways
  - eight Land Management for Soils at Risk projects
  - two Farmyard Runoff Control projects
  - the maintenance of one small water storage project
- Provided TMCD property management for the Strain property

Equipment Rentals

- Rented an Ultra packer seeder for 10 applications (38 ha.)
- Rented a Tye Sod seeder for two applications (12 ha.)
- Rented a leafy spurge sprayer for two applications
- Rented a tree planter for three applications
- Rented a TMCD water pump for nine applications

External Funding

Program/Partner	**Funding**
Prairie Farm Rehabilitation Administration – Agriculture and Agri-Food Canada	$ 5,687.00
Sustainable Development Innovations Fund	$ 13,925.00
Water Stewardship Fund	$ 41,700.00
Hometown Green Team	$ 4,393.00
Ducks Unlimited	$ 4,320.00
Board Revenue and Interest	$ 24,583.00
Nature Canada	$ 14,000.00
TD Friends of the Environment	$ 2,279.00
TOTAL	**$ 110,887.00**

Turtle River Watershed Conservation District

Introduction

The Turtle River Watershed Conservation District (TRWCD) incorporated in 1975, includes approximately 2,350 square kilometres of land located between the Riding Mountain Escarpment and Lake Dauphin. The District boundaries are based on the entire watersheds of the Hansen Creek, Turtle River and Ochre River and further divided into three sub-districts (sub-watersheds) that encompass all or part of the rural municipalities of Dauphin, Ochre River, Ste. Rose, Lawrence, Alonsa, McCreary, and Rosedale, as well the Town of Ste. Rose and the Village of McCreary.

TURTLE RIVER WATERSHED CONSERVATION DISTRICT
BOARD MEMBERS 2007-08

SUB-DISTRICT	CHAIRPERSON	ADDRESS
Board Chairperson	Paul Brunel	Ste. Rose
#44 - Upper Turtle River	Dave Smith / Kelvin Code	McCreary
#45 - Lower Turtle River	Victor Beasse	Ste. Rose
#46 - Ochre River	Joe Felix	Ochre River
Provincial Appointee	Denis Maguet	Ste. Rose

The District continued its focus on managing the extensive agricultural drainage infrastructure and transportation crossings that fall within our jurisdiction. Works included vegetation control, both minor and extensive drain cleanout/reconstruction projects as well as maintaining and replacing bridge and culvert crossing structures. The District was also actively involved in public education initiatives, habitat preservation and soil and water management activities.

TOTAL EXPENDITURES 2007-08

Activity	Expenditure
Administration	$ 47,820.00
Education	$ 29,531.00
Wildlife/Fisheries	$ 21,369.00
Soils	$ 20,880.00
Water	$ 286,872.00
Crossings	$ 126,766.00
Inventory Purchase	$ 56,168.00
Inventory Sale	$ (38,628.00)
Consignment Sale Revenue	$ (2,470.00)
Custom Work	$ 12,476.00
Amortization	$ 16,268.00
TOTAL	**$ 577,052.00**

For further details see Auditor's Report, Appendix O.

Administration and Program Support

- Consisted of all office operation costs, a portion of staff salaries, board and Sub-District remuneration, and any costs associated with the employment of a seasonal works crew
- Hired one summer student to assist with district initiatives with the assistance of the Hometown Green Team Program

Public Education

- Recognized Gerald & Sandra Walker and family with the 2007 Conservation Districts Award at the annual Manitoba Conservation District Association Conference
- Recognized Christopher Walker for his representation of the District in the youth speaking competition at the Manitoba Conservation District Association conference
- Sponsored a team of Ste. Rose Grade Six students who represented the TRWCD in the Manitoba Conservation District Association Conference conservation display competition

Wildlife/Fisheries

- Initiated works on the Alluvial Fan Boardwalk/Interpretive Trail, a project made possible by funding received through the Home Depot/Evergreen grant
- Continued with a trout-stocking program whereby the trout were released into a local Ste. Rose pond in the spring of 2007; to date, over 5,000 fish have been stocked.

Soil Management

- Co-operated with four landowners in the reconstruction and seeding-down of natural watercourses on privately owned lands through the District's grassed waterway program
- Participated in one off-site watering project through the rental of the District's pasture pipeline plough

Crossings

- Performed extensive repairs on crossings, with approximately eight being replaced or reconstructed
- Minor repairs were made to approximately 50 crossings

Water/Drain Management

- Performed vegetation control through brush management on approximately 70 km of agricultural drainage channels
- Sealed two abandoned wells and finished minor repairs on drainage channels, with approximately 16 km being addressed as major repair/reconstruction works

External Funding

Program/Partner	Funding
Hometown Green Team	$ 2,263.00
Home Depot – Evergreen	$ 10,000.00
Landowner – Project Contributions	$ 4,131.00
TOTAL	$ 16,394.00

Upper Assiniboine River Conservation District

Introduction

The Upper Assiniboine River Conservation District (UARCD) was established in 1996 and covers an area of approximately 6,722 square kilometres. The District is bordered by Riding Mountain National Park to the north, Gopher Creek to the south, the Province of Saskatchewan to the west, and the Town of Shoal Lake to the east.

The UARCD includes the rural municipalities of Rossburn, Ellice, Birtle, Shoal Lake, Archie, Miniota, Hamiota, Wallace, and Woodworth, the Towns of Rossburn, Birtle and Shoal Lake, and the Villages of Hamiota, St. Lazare and Elkhorn. The UARCD is divided into 11 Sub-Districts and involves 62 Sub-District members.

UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT
BOARD MEMBERS 2007-2008

SUB-DISTRICT	CHAIRPERSON	ADDRESS
Board Chairperson	Leonard Sitko	Oakburn
#72 Upper Oak River	Johnny Michasiw	Shoal Lake
#73 Lower Oak River	Todd Brown	Hamiota
#73A Lower Assiniboine River	Robert Alexander	Lenore
#75 Bosshill Creek	Bill McQuaker	Virden
#74 Minnewasta Creek	Rusty Still	Isabella
#74A Arrow River	Theresa Michalchuk	Shoal Lake
#77 Birdtail River	Ron Kostesky	Rossburn
#78 Snake Creek	Bill Stewart	Foxwarren
#78A Wythes Niso	Tom Judd	Miniota
#78B Qu'Appelle River	Guy Huberdeau	St. Lazare
#78C Brennand / Scissor Creek	Robbie Craig	McAuley

Summary

Work on the Integrated Watershed Management Plan has continued, encouraging more discussions and involvement with stakeholders, including Planning Districts and economic development groups. The Districts involvement in the Equivalent Agri-Environmental Plan process boosted interest in environmentally sound projects and has had a positive impact on the programming delivered this past year.

TOTAL EXPENDITURES 2007-2008

Activity	Expenditure
Watershed Planning	$ 55,473.00
Administration	$ 30,339.00
Assets	$ 71,008.00
Public Education	$ 70,533.00
Soil Conservation	$ 15,813.00
Wildlife / Fisheries	$ 2,884.00
Water Management	$ 184,474.00
Board Truck	$ 3,294.00
TOTAL	**$ 433,818.00**

For further details see Auditor's Report, Appendix P.

Watershed Planning

- Completed State of Watershed Reports for integrated watershed management planning for four watersheds in partnership with Little Saskatchewan River Conservation District and Lake of the Prairies Conservation District
- Completed Equivalent Agri-Environmental Plan in two watersheds providing additional beneficial management practices incentive money to local landowners
- Completed and expanded upland monitoring program across the district
- Acquired equipment and trained staff to assist in accurately assessing and monitoring surface water quality and quantity
- Hosted ongoing riparian assessment modeling pilot project

Administration

- Consisted of staff salaries and expenses, some remuneration for board and Sub-District members, office rent, phones, Internet, office operation expenses and supplies

Assets

- Updated office computer hardware
- Purchased a larger pipeline plough with more depth capability
- Updated all-terrain vehicle
- Purchased a Trimble survey-grade GPS unit

Public Education

- Recognized the Basso Family with a Conservation Districts Award in memory of Wayne Basso of Shoal Lake
- Held a youth speaking competition with local schools
- Submitted five resource management promotion articles for the local and provincial newspapers
- Assisted with the Eco-Science camp program developed to increase awareness of the natural processes at work in the Riding Mountain National Park
- Monitored 25 Beneficial Management Practices monitoring sites to increase awareness of land use change and management impacts

- Involved eight schools in outdoor education events to increase awareness of water quality, healthy waterways and riparian areas
- Assisted local producer groups in promoting and facilitating workshops and tours

Wildlife / Fisheries

- Continued partnerships with Ducks Unlimited Canada and the Delta Waterfowl Foundation
- Created monitoring program for constructed fish ladder on Birdtail River
- Continued to promote the assist in wildlife habitat protection programs offered by various partners

Soil Conservation

- Completed 19 rotational grazing projects
- Completed eight riparian fencing projects
- Partnered with Ducks Unlimited Canada who provided funding to deliver the saline seed program to nine landowners resulting in the seeding of 48 hectares of saline areas to permanent cover
- Assisted 21 landowners with the establishment of approximately 82 hectares of forages through the forage seed program
- Assisted 12 landowners with the design and planting of over 15 kilometres of shelterbelts

Water Management

- Sealed 41 abandoned wells
- Assisted with 41 off-site watering projects, and used demonstration systems at eight livestock facilities
- Constructed eight new livestock crossings
- Assisted 21 landowners with the installation of over 26 kilometres of pasture pipeline to provide remote water for a variety of applications
- Assisted in 9 Feedlot alterations improving water & waste management
- Re-established 315 meters of riparian vegetation along Assiniboine River

External Funding

Program/Partner	**Funding**
Ducks Unlimited Canada	$ 2,460.00
Manitoba Water Stewardship – Integrated Watershed Management Plan grant	$ 13,712.00
Shell Canada	$ 5,000.00
Greencover Canada	$ 7,473.00
Hometown Green Team	$ 2,463.00
Farm Stewardship Association of Manitoba	$ 1,000.00
TOTAL	**$ 32,108.00**

West Souris River Conservation District

Introduction

The West Souris River Conservation District (WSRCD) was incorporated as Manitoba's seventh conservation district on January 1, 1995. The District includes the rural municipalities of Albert, Edward, Pipestone, Cameron, Wallace and Sifton. Boundary alignment with the Turtle Mountain Conservation District (TMCD) in 2004 saw the Souris River utilized as the boundary between the two districts. The WSRCD is comprised of six Sub-Districts and covers approximately 4,208 square kilometres of south western Manitoba.

WEST SOURIS RIVER CONSERVATION DISTRICT
BOARD MEMBERS 2007–2008

SUB-DISTRICT	CHAIRPERSON	ADDRESS
Board Chairperson	Lloyd Atchison	Pipestone
#98 - North Pipestone/Sifton	Richard Thiry	Oak Lake
#62 - Pipestone/Plum Creek	Alex Grieve	Virden
#63 - Stony Creek	Wilson Davis	Pipestone
#64 - Jackson/Graham Creek	Perry Hendry	Pierson
#65 - Gainsborough/South Antler	Tim McMechan	Lyleton
#67 - Central Souris River	Gordon White	Hartney
Provincial Appointee	David Dickson	Broomhill

Summary

The WSRCD continued to deliver strong land and water based programs through a variety of new partnerships and innovative watershed projects. The Oak Lake Aquifer Equivalent Agri-Environmental Plan program assisted producers to implement water quality beneficial management practices on their farms overlying the aquifer. Seismic reflection research comprised part of the District's ongoing groundwater exploration in partnership with Manitoba Water Stewardship, Agriculture and Agri-Food Canada and Geological Survey of Canada.

WSRCD signed a Memorandum of Understanding with the Province to be designated as a Watershed Planning Authority in order to develop an Integrated Watershed Management Plan. Staff development remained a priority with the Board.

The WSRCD environmental education programs and youth initiatives earned the District the Educator's Award sponsored by the Fort la Bosse Teacher's Association. The District enlisted the services of a freelance writer to assist with communications and awareness. A partnership with the Richardson Foundation provided funding for environmental education and awareness and youth initiatives.

TOTAL EXPENDITURES 2007-2008

Activity	Expenditures
Watershed Planning	$ 34,806.70
Administration	$ 40,149.66
Assets	$ 43,499.18
Public Education	$ 95,618.30
Soil Conservation	$ 66,658.00
Water Management	$ 136,141.95
TOTAL	$ 416,873.79

For further details see Auditor's Report, Appendix Q.

Administration

- Consisted of office staff salaries, board and Sub-District remunerations, reimbursed expenses and office and shop operation costs
- Oak Lake Aquifer Equivalent Agri-Environmental Plan Coordinator completed program term in August
- Entered into an agreement with Manitoba Water Stewardship to continue watershed planning
- Reviewed and commented on the Provincial Framework For The Future document which outlined the Province's vision for the conservation districts program
- Developed Educational Program Evaluation Forms to acquire feedback from schools regarding District's education programs
- Enrolled a technician in an online GIS course offered by Assiniboine Community College

Public Education

- Received an Educator's Award from the Fort la Bosse Teacher's Association
- Delivered educational programming through Energizing Environmental Education Initiative partnership with Tundra Oil and Gas
- Co-sponsored the 3rd Annual Southwest Manitoba Water Festival
- Held the District's annual banquet in Pipestone with 180 residents in attendance
- Distributed the 3rd Annual Watershed Currents newsletter to District residents
- Presented the annual Conservation Districts Award to the Todd & Heather Daniels & family and Neale & Gail Daniels of Pierson
- Submitted newspaper articles to the Virden Empire Advance, Melita New Era, Reston Recorder, Oak Lake Town and Country News, and Souris Plaindealer
- Distributed 10,000 WSRCD program placemats to restaurants and community halls throughout the district
- Delivered the Oak Lake Aquifer Equivalent Agri-Environmental Plan to increase awareness of issues regarding the use and protection of the Oak Lake Aquifer
- Provided grants to local schools for the purchase of resource materials and field trips through the Classroom Conservation program
- Sponsored the Oak Hammock Marsh Interpretive Center to make environmental education presentations in local schools
- Involved classes from Oak Lake, Hartney, Reston and Pierson in aquatic studies and field trips
- Provided several guided tours for schools and other organizations on the Canupawakpa Nature Trail
- Co-hosted a Managing the Water's Edge workshop

Soil Conservation

- Assisted 14 producers to sow 495 hectares of saline areas
- Planted 19 kilometres of field and yard shelterbelts
- Five producers received financial assistance to plant 495 hectares of forage through the Forage for Problem Soils Program
- Nine producers planted 2190 hectares of forage through the Oak Lake Aquifer Equivalent Agri-Environmental Plan; an additional 2200 hectares were positively affected by implementation of beneficial management practices
- Completed three rotational grazing projects

Water Management

- Reviewed and commented on six drainage applications
- Assisted Manitoba Water Stewardship with mowing of five kilometres of drains
- Completed 29 surface water tests on eight streams
- Promoted annual testing of private water sources
- Completed the Oak Lake Aquifer Equivalent Agri-Environmental Plan
- Assisted 97 producers at 10 Equivalent Agri-Environmental Plan workshops, of which 36 completed on-farm action plans
- Equivalent Agri-Environmental Plan Beneficial Management Practices applications averaged $10,000 per application
- Four manure management projects implemented under Oak Lake Aquifer Equivalent Agri-Environmental Plan
- Sealed six abandoned wells
- Provided assistance for six off-site watering systems
- Assisted with the establishment of ten new water wells
- Assisted five landowners with spring and fall pumping operations
- Partnered with Geological Survey of Canada, Manitoba Water Stewardship, Prairie Farm Rehabilitation Administration, and the Turtle Mountain and Tiger Hills Conservation Districts to study the effectiveness of seismic reflection methods in the exploration and determination of groundwater in deep buried valleys
- Completed one riparian fencing project covering 1.6 kilometres along the Pipestone Creek through a grant received from the Fisheries Enhancement Fund
- Improved 10 km of the Pipestone Creek by removing dead elms from along the banks, and log jams from within the channel
- One kilometre of Antler River riparian area improved by clean up of dead elms
- Continued habitat program partnerships with Manitoba Habitat Heritage Corporation, Critical Wildlife Habitat Program and Ducks Unlimited Canada

External Funding

Program/Partner	**Funding**
Prairie Farm Rehabilitation Administration-Agriculture and Agri-Food Canada	$ 65,196.00
Fisheries Enhancement Fund	$ 3,100.00
Water Resources Branch	$ 9,000.00
Manitoba Habitat Heritage Corporation/CWHP	$ 7,306.00
Board Revenue and Interest	$ 14,352.00
Local Groups	$ 20,501.00
Landowner Project Contributions	$ 1,472.00
TOTAL	**$ 120,927.00**

Whitemud Watershed Conservation District

Introduction

The Whitemud Watershed Conservation District (WWCD), incorporated in March 1972, includes approximately 7,115 square kilometres extending from Carberry North to Kelwood and from Portage Diversion west toward Minnedosa.

The area includes portions of 15 Municipalities and three Towns. There are eight Sub-Districts, determined by the drainage basins of the major tributaries of the Whitemud River. There are 67 Sub-District Members who act in an advisory capacity to the Main Board, with each committee chairperson sitting on the Board.

WHITEMUD WATERSHED CONSERVATION DISTRICT
BOARD MEMBERS 2007-2008

SUB-DISTRICT	CHAIRPERSON	ADDRESS
#35 - Rat Creek	Barrie Braden/Kerry Tomchuck	Rossendale/MacDonald
#36 - Westbourne Drain	Bill Wieler	MacGregor
#37 - Squirrel Creek	Minnie Parynuik	MacGregor
#38 - Pine Creek	Roy McConnell	Gladstone
#39 - Upper Whitemud	Wayne Csversko	Neepawa
#40 - Boggy Creek	Wes Pankratz/Jim Andersen	Minnedosa
#42 - Big Grass Marsh	Doug Popkes	Arden
#43 - Big Grass River	Danny Post	Waldersee
Provincial Appointee	Bud G. Johnson	Neepawa
Board Chairperson	Robert Rodgers	MacGregor

Summary

The District was able to undertake an ambitious and aggressive infrastructure maintenance and soil and water Conservation Program.

TOTAL EXPENDITURES 2007-2008

Activity	Expenditure
Administration	$ 91,685.00
Assets	$ 47,358.00
Public Education	$ 68,478.00
Wildlife & Fisheries	$ 8,759.00
Soil Management	$ 64,534.00
Water Management	$ 90,159.00
Crossing Infrastructure	$ 229,148.00
Drain Infrastructure	$ 489,340.00
TOTAL	**$1,089,461.00**

For further details see Auditor's Report, Appendix R.

Administration

- Consisted of program support and planning, office operating costs, and rent

Public Education

- Participation of 152 grade five students in nine area schools and 17 Hutterite colonies in the District's "Johnny Appleseed" program
- Recognized the Baker Colony with a Conservation District Award
- Sponsored one school and one Scout planting
- Sponsored Oak Hammock presentation at seven schools and nine colonies
- Distributed 14,300 placemats
- Appeared in local print media 35 times
- Provided four land and water conservation tours
- Presented at one Equivalent Agri-Environmental Plan workshops and at one other community event
- Purchased Conservation magazine subscriptions for 12 school libraries
- Held 36th Annual Whitemud Bonspiel & Banquet
- Distributed the Whitemud newsletter to all households in the District

Wildlife & Fisheries Management

- Initiated three riparian fencing projects (Fisheries Enhancement Fund funding)
- Conservation Corridor re-signage
- Updates made to Wildland Project partner

Soil Management

- Assisted in the establishment of 2,171 hectares of forage
- Planted 26 kilometres of shelterbelts
- Sealed six abandoned wells
- Initiated three pasture management systems

Crossing Infrastructure

- Performed 31 large repairs
- Replaced 20 crossings
- Performed two repairs/replacements of PR/PTH crossings
- Placed local funds in Infrastructure Reserve to ensure local funds are available when numerous large, expensive crossings require replacement based on the 15-year plan
- Removed 42 beaver dams from crossings

Water Management / Drain Infrastructure

- Reconstructed 11 grassed runways
- Repaired two shale traps
- Completed two water retention projects
- Repaired five dams
- Sprayed 371 kilometres of drains for vegetation and noxious weed control

- Mowed 1208 kilometres of drains
- Performed eight kilometres of brushing
- Conducted minor cleanout/reconstruction of 17 drains (11.5 km in total), including: Charleton, Tomchuk, Lelant, Westbourne, Pine Creek, Crane, Turko, Ford, Knox, Kelwood, Sawchuk, Pelican, and Glenella

Drainage Licensing

- Inspected previously licensed/authorized works
- Facilitated 36 drainage license and other maintenance files

External Funding

Program/Partner	**Funding**
Hometown Green Team	$ 2,263.00
Fisheries Enhancement Fund	$ 1,945.00
CMRM Ltd. Reserve Account	$ 9,244.00
PR/PTH MOU	$ 28,980.00
Manitoba Water Stewardship (survey in-kind)	$ 3,450.00
TOTAL	**$ 45,882.00**

ALONSA CONSERVATION DISTRICT NO. 3

Financial Statements

Year Ended March 31, 2008

ALONSA CONSERVATION DISTRICT NO. 3

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Year Ended March 31, 2008

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THE EXCHANGE

chartered accountants LLP

AUDITORS' REPORT

To the Board of Directors of Alonsa Conservation District No. 3

We have audited the statement of financial position of Alonsa Conservation District No. 3 as at March 31, 2008 and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the District as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Our opinion does not extend to the Schedule of Provincial Contributions presented by the District.

The Exchange

chartered accountants LLP

Winnipeg, Manitoba
May 26, 2008

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ALONSA CONSERVATION DISTRICT NO. 3

Statement of Financial Position

March 31, 2008

	2008	2007
ASSETS		
CURRENT		
Cash	$ 61,285	$ 6,422
Accounts receivable	30,047	29,742
Due from Province of Manitoba *(Page 10)*	9,105	40,388
GST recoverable	6,008	13,626
	106,445	90,178
CAPITAL ASSETS *(Notes 2, 5)*	36,218	49,984
	$ 142,663	$ 140,162
LIABILITIES AND NET ASSETS		
CURRENT		
Current portion of long term debt *(Note 6)*	$ 7,665	$ 7,665
LONG TERM DEBT *(Note 6)*	14,689	22,354
UNEXPENDED FUNDS *(Note 7)*	73,482	60,149
EMERGENCY RESERVE	20,000	20,000
	115,836	110,168
NET ASSETS		
Invested in capital assets	13,864	19,965
Unrestricted	12,963	10,029
	26,827	29,994
	$ 142,663	$ 140,162

ON BEHALF OF THE BOARD

Edward _______________ *Director*

_______________ *Director*

ALONSA CONSERVATION DISTRICT NO. 3

Statement of Changes in Net Assets

Year Ended March 31, 2008

	Invested in Capital Assets	Unrestricted	**2008**	2007
NET ASSETS - BEGINNING OF YEAR	$ 19,965	$ 10,029	**$ 29,994**	$ 24,785
Deficiency of revenue over expenditures	(13,765)	10,598	**(3,167)**	5,209
Investment in capital assets	7,664	(7,664)	**-**	-
NET ASSETS - END OF YEAR	$ 13,864	$ 12,963	**$ 26,827**	$ 29,994

ALONSA CONSERVATION DISTRICT NO. 3

Statement of Revenues and Expenditures

Year Ended March 31, 2008

	2008	2007
REVENUE		
Grant revenue		
Province of Manitoba allocated grant	$ 234,717	$ 282,641
Municipal grants	85,600	80,230
Green Team revenue	4,468	5,040
Greencover SWMP Project	3,500	-
Birdwatchers fund	1,914	3,180
Province of Manitoba - flood cost share	-	7,206
Miscellaneous grants and donations	2,771	-
Farmer assistance revenue	35,589	36,964
Equipment rental revenue	11,400	11,400
Sundry	409	737
	380,368	427,398
PROJECT EXPENDITURES		
Crossing maintenance	31,455	54,589
Drain infrastructure	51,684	25
Fisheries and wildlife	22,870	21,256
Forestry	3,866	1,093
Soils	61,371	72,862
Structure replacement	-	220
Trail maintenance	1,898	2,042
Water	76,726	149,751
Watershed planning	16,180	18,704
	266,050	320,542
OTHER EXPENDITURES		
Amortization	13,765	12,222
Insurance	3,334	-
Office	27,428	25,776
Professional fees	2,001	1,962
Public relations and education	70,957	61,687
	117,485	101,647
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	$ (3,167)	$ 5,209

ALONSA CONSERVATION DISTRICT NO. 3

Statement of Cash Flows

Year Ended March 31, 2008

	2008	2007
OPERATING ACTIVITIES		
Cash receipts from provincial, municipal, and other grants	$ 332,667	$ 324,626
Cash receipts from other sources	86,298	49,405
Cash paid to suppliers and employees	(356,437)	(392,295)
Cash flow from (used by) operating activities	62,528	(18,264)
INVESTING ACTIVITY		
Purchase of equipment	-	(21,451)
Cash flow used by investing activity	-	(21,451)
FINANCING ACTIVITY		
Repayment of long term debt	(7,665)	(7,665)
Cash flow used by financing activity	(7,665)	(7,665)
INCREASE (DECREASE) IN CASH FLOWS	54,863	(47,380)
CASH - BEGINNING OF YEAR	6,422	53,802
CASH - END OF YEAR	$ 61,285	$ 6,422

ALONSA CONSERVATION DISTRICT NO. 3

Notes to Financial Statements

Year Ended March 31, 2008

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1. NATURE OF ORGANIZATION

The District was established in February 1978. Its mandate is to provide soil and water management decisions on resource conservation and environmental awareness for the area along the western shores of Lake Manitoba.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgement. The financial statements have, in management's opinion, been properly prepared within the reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

Amortization

Amortization is calculated using rates determined by management for each item based on its expected life and use. Equipment is calculated on a straight-line basis at 15-25% and on the computer equipment at 25% per annum and prorated in the year of acquisition. Amortization on the vehicle has been claimed at a rate of 15-20% straight-line and prorated in the year of acquisition.

Revenue recognition

The Province of Manitoba grant is recognized as revenue when the related expenses are incurred. Any excess or shortfall is shown as accounts receivable or accounts payable.

Municipal grants are recognized as revenue when received.

Other grants are recognized as revenue when the related expenses are incurred. If the related expenses are not incurred by the end of the year, the grant is deferred to future periods, and shown as unexpended grants.

Farmer assistance revenue is recognized when earned if the amount can be determined and collection is reasonably assured.

3. CHANGE IN ACCOUNTING POLICY

The Accounting Standards Board has issued two new Handbook sections on Financial Instruments that affect the District, Section 3855 and Section 3861. Section 3855 Financial Instruments – Recognition and Measurement addresses when financial instruments should be recognized and how they should be measured. Section 3861 Financial Instruments – Disclosure and Presentation provides standards for how financial instruments should be classified on financial statements and the disclosure requirements.

The District has adopted both of the sections for the fiscal year ended March 31, 2008. Cash, accounts receivable, due from the Province of Manitoba, and long term debt are classified as held-for-trading and are measured at their fair value.

Adoption of these standards resulted in no adjustments to these financial statements.

4. FINANCIAL INSTRUMENTS

The District's financial instruments consist of cash, accounts receivable, due from the Province of Manitoba, and long term debt. Unless otherwise noted, it is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

5. CAPITAL ASSETS

	2008		2007	
	Cost	**Accumulated amortization**	Cost	Accumulated amortization
Equipment	$ 90,814	$ 71,457	$ 90,814	$ 72,060
Motor vehicles	39,727	22,866	39,727	8,497
	$ 130,541	$ 94,323	$ 130,541	$ 80,557
Net book value	$ 36,218		$ 49,984	

6. LONG TERM DEBT

	2008	2007
Chrysler Finance loan repayable in monthly blended payments of $639.00. The loan matures on February 28, 2011 and is secured by a 2005 Dodge Ram truck.	$ 22,354	$ 30,019
Amounts payable within one year	(7,665)	(7,665)
	$ 14,689	$ 22,354

Principal repayment terms are approximately:

2009	$ 7,665
2010	7,665
2011	7,024
	$ 22,354

7. UNEXPENDED FUNDS

	2008	2007
Ducks Unlimited	$ 3,483	$ 3,483
Infrastructure Reserve Fund	69,999	56,666
	$ 73,482	$ 60,149

8. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

ALONSA CONSERVATION DISTRICT NO. 3

Schedule of Cost Sharing

(Unaudited)

Year Ended March 31, 2008

	Total	% Shareable Prov/Dist/ External	Province Share	District Share	External Share
PROJECTS AND PROGRAMS					
WATERSHED DEVELOPMENT					
Watershed P&D	$ 16,180	58/19/23	$ 9,384	$ 3,074	$ 3,722
PR & EDUCATION					
Multi Displ/PR&ED/remun	43,505	75/25/0	32,629	10,876	-
MCDA dues	6,304	75/25/0	4,728	1,576	-
Youth programs	21,148	59/20/21	12,477	4,230	4,441
WILDLIFE/FISHERIES					
Habitat programming	7,849	56/19/25	4,395	1,491	1,962
Pickerel spawning project	15,021	70/23/07	10,515	3,455	1,051
FORESTRY					
Shelterbelt programs	3,866	54/18/28	2,088	696	1,082
SOILS					
Pasture/rotal grzg incent	4,384	75/25/0	3,288	1,096	-
Soils programming	56,986	39/13/47	22,225	7,408	27,354
WATER					
Water mgmt programs	22,848	75/25/0	17,136	5,712	-
Beavers/brush removal	53,878	75/25/0	40,409	13,469	-
CROSSINGS					
Infrastructure reserve fund	13,333	75/25/0	10,000	3,333	-
Crossings - R&M/replace	18,122	54/18/28	9,786	3,262	5,074
DRAIN INFRASTRUCTURE					
Maintenance/cleanouts	51,684	75/25/0	38,763	12,921	-
RECREATION/TOURISM					
Trails maintenance	1,898	47/16/37	892	304	702
PROGRAM SUPPORT					
Office Operation	32,764	75/25/0	24,573	8,191	-
ASSETS					
Non-cost shared depreciation	13,765	0/100/0	-	13,765	-
TOTAL	$ 383,535		$ 243,288	$ 94,859	$ 45,391
PERCENTAGE OF COSTS	100%		63%	25%	12%

ALONSA CONSERVATION DISTRICT NO. 3

Schedule of Provincial Contribution

Year Ended March 31, 2008

	2008	2007
Due from (to) the Province of Manitoba, beginning of year	$ 40,388	$ (2,253)
Provincial grant	266,000	240,000
Subtotal	225,612	242,253
Less: provincial allocation	234,717	282,641
Due from Province of Manitoba, end of year	$ 9,105	$ 40,388

COOKS CREEK
CONSERVATION DISTRICT NO. 5

FINANCIAL STATEMENTS

MARCH 31, 2008

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15 Schedule of Cost Sharing

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Winkler, MB

AUDITOR'S REPORT

TO THE MEMBERS:
COOKS CREEK CONSERVATION DISTRICT NO. 5

I have audited the statement of financial position of Cooks Creek Conservation District No. 5 as at March 31, 2008 and the statements of changes in surplus, revenue and expenditures, and cash flows for the year then ended. These financial statements are the responsibility of the District's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Note 2a) describes the District's accounting policy with respect to materials and supplies inventory. The note indicates that the District is expensing such inventory in the year of purchase. In this respect the financial statements are not in accordance with Canadian generally accepted accounting principals which require that supplies and materials purchased but not used in the current fiscal year be recorded as a prepaid expense on statement of financial position and expensed when used.

Note 2c) describes the District's accounting policy with respect to capital assets. The note indicates that the District is expensing capital assets in the year of purchase. In this respect the financial statements are not in accordance with Canadian generally accepted accounting principles which require that capital assets be included on the statement of financial position and be amortized over their estimated useful life.

In my opinion, except for the effects of the failure to capitalize and amortize capital assets and to record materials and supplies inventory as a current asset as described in the preceding paragraphs, these financial statements present fairly, in all material respects, the financial position of the District as at March 31, 2008 and the results of its operations and the changes in its surplus and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

My audit opinion does not extend to the Schedule of Cost Sharing presented by the District.

CHARTERED ACCOUNTANT INC.

Winkler, Manitoba
June 4, 2008

COOKS CREEK CONSERVATION DISTRICT NO. 5

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2008

ASSETS

	2008	2007	2006
CURRENT			
Cash and term deposits	**$ 415,198**	$ 214,421	$ 222,423
Accounts receivable (note 3)	**25,489**	18,081	19,068
Prepaid expense	**1,944**	4,206	4,151
	442,631	236,708	245,642
CAPITAL (notes 2c and 4)	**45,863**	51,366	56,869
WILDLIFE HABITAT AREA (note 5)	**439,249**	439,249	439,249
	$ 927,743	$ 727,323	$ 741,760

APPROVED BY

Director

Director

COOKS CREEK CONSERVATION DISTRICT NO. 5

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2008

LIABILITIES

	2008	2007	2006
CURRENT			
Accounts payable	$ **37,663**	$ 35,939	$ 34,852
Unearned revenue (note 7)	**267,024**	90,125	131,113
Current portion of long-term debt	**13,583**	12,003	12,151
	318,270	138,067	178,116
RESERVE FUNDS (note 9)	**83,758**	71,544	49,939
LONG-TERM DEBT (note 8)	**109,685**	138,397	150,040
	511,713	348,008	378,095

SURPLUS

	2008	2007	2006
RESTRICTED (note 5)	**296,000**	296,000	296,000
SURPLUS (page 4)	**120,030**	83,315	67,665
	$ **927,743**	$ 727,323	$ 741,760

COOKS CREEK CONSERVATION DISTRICT NO. 5

STATEMENT OF CHANGES IN SURPLUS

FOR THE YEAR ENDED MARCH 31, 2008

	2008	2007	2006
Surplus, beginning of year	**$ 83,315**	$ 67,665	$ 55,230
Excess of revenue over expenditures	**45,758**	34,693	32,204
Transfer to reserve funds	**(9,043)**	(19,043)	(19,769)
SURPLUS, END OF YEAR	**$ 120,030**	$ 83,315	$ 67,665

COOKS CREEK CONSERVATION DISTRICT NO. 5

STATEMENT OF REVENUE AND EXPENDITURES

FOR THE YEAR ENDED MARCH 31, 2008

	2008	2007	2006
REVENUE			
Municipal levies			
Rural Municipality of Brokenhead	**$ 291**	$ 249	$ 249
Rural Municipality of Ste. Anne	**3,192**	2,840	2,840
Rural Municipality of Springfield	**148,634**	124,551	124,551
Rural Municipality of Tache	**8,455**	7,316	7,316
Provincial grants			
Water Stewardship	**285,000**	275,000	275,000
Other	**137,349**	386,846	224,191
Other funding	**23,699**	52,701	64,234
GIS partnership	**-**	-	1,140
Cost sharing - Salmon Lake study	**14,152**	61,438	27,090
Disaster Financial Assistance deductible			
Rural Municipality of Springfield	**15,261**	48,223	-
Drainage and crossing projects			
Rural Municipality of Springfield	**-**	2,150	251,396
Drainage trust fund	**-**	9,000	-
Donations	**2,300**	20,000	1,200
Interest	**8,775**	6,026	5,706
Transportation and maintenance (note 10)	**540**	(267)	2,707
	647,648	996,073	987,620
EXPENDITURES			
Administration (page 13)	**64,361**	98,274	95,835
Public education (page 13)	**60,088**	60,039	64,667
Assets (page 13)	**1,898**	3,062	3,432
Watershed planning (page 13)	**-**	3,613	6,403
District programs (page 14)	**475,543**	796,392	785,079
	601,890	961,380	955,416
EXCESS OF REVENUE OVER EXPENDITURES	**$ 45,758**	$ 34,693	$ 32,204

COOKS CREEK CONSERVATION DISTRICT NO. 5

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2008

	2008	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess of revenue over expenditures	**$ 45,758**	$ 34,693	$ 32,204
Adjustment for:			
Amortization	**5,503**	5,503	5,503
	51,261	40,196	37,707
Changes in non-cash working capital (note 11)	**173,478**	(38,970)	187,399
Cash flows from (used in) operating activities	**224,739**	1,226	225,106
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest from reserve funds	**3,171**	2,563	-
Purchase van	**-**	-	(32,011)
Cash flows from (used in) investing activities	**3,171**	2,563	(32,011)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term debt	**-**	-	34,102
Repayment of long-term debt	**(27,133)**	(11,791)	(12,421)
Cash flows from (used in) financing activities	**(27,133)**	(11,791)	21,681
NET INCREASE (DECREASE) IN CASH	**200,777**	(8,002)	214,776
Cash and term deposits at beginning of year	**214,421**	222,423	7,647
CASH AND TERM DEPOSITS AT END OF YEAR	**$ 415,198**	$ 214,421	$ 222,423

COOKS CREEK CONSERVATION DISTRICT NO. 5

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2008

1. PURPOSE OF THE ORGANIZATION

Cooks Creek Conservation District No.5 is a not-for-profit organization funded primarily by local municipalities and the Province of Manitoba. The purpose of the organization is to manage the natural resources located within its boundaries in such a way that they are passed on to future generations in the same or better condition than at present.

2. SIGNIFICANT ACCOUNTING POLICIES

a) **Inventories**

Inventories of materials and supplies are not taken into account. Such items are expensed in the year purchased.

b) **Income taxes**

Cooks Creek Conservation District No. 5 is a not-for-profit organization and is exempt from income taxes under section 149 of the Income Tax Act.

c) **Capital assets**

Effective with the fiscal year ending March 31, 2001 the District adopted a policy of expensing capital assets in the year of purchase with the exception of a van purchased in April 2005. The cost of the van less its estimated residual value is being amortized on a straight line basis over four years. Amortization of $5,503 relating to the van was charged to transportation and maintenance revenue during the year.

d) **Revenue recognition**

The District recognizes all sources of income as revenue in the period in which the income is earned (accrual method). This means income will be recognized in the period it is earned regardless of when it is actually received.

e) **Use of estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

COOKS CREEK CONSERVATION DISTRICT NO. 5

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2008

3. ACCOUNTS RECEIVABLE

	2008	2007	2006
Goods and services tax	**$ 10,489**	$ 14,519	$ 18,068
Manitoba Water Stewardship	**-**	-	1,000
Rural Municipality of Springfield	**15,000**	-	-
Miscellaneous	**-**	3,562	-
	$ 25,489	$ 18,081	$ 19,068

4. CAPITAL ASSETS

			Net Book Value		
	Cost	**Accumulated Amortization**	**2008**	2007	2006
Land	**$ 8,454**	**$ -**	**$ 8,454**	$ 8,454	$ 8,454
Office & computer equipment	**31,625**	**21,277**	**10,348**	10,348	10,348
Program support equipment	**18,472**	**6,913**	**11,559**	11,559	11,559
Vehicle	**32,011**	**16,509**	**15,502**	21,005	26,508
	$ 90,562	**$ 44,699**	**$ 45,863**	$ 51,366	$ 56,869

5. WILDLIFE HABITAT AREA/RESTRICTED SURPLUS

The wildlife habitat area figure is comprised of two amounts.

Ecologically sensitive land donated to the District	$ 296,000
Cost of renovating house into office facility	143,249
Total	$ 439,249

Under the terms of an agreement reached with the donor of the land, use of the land is restricted to a wildlife habitat area. The estimated fair market value of the land in the year the land was donated to the District is included as a restricted surplus on the statement of financial position.

6. LINE OF CREDIT

The District has arranged for an operating loan with the Oak Bank Credit Union to a maximum of $50,000. Interest is charged at the variable loan rate. Security consists of a line of credit agreement.

COOKS CREEK CONSERVATION DISTRICT NO. 5

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2008

7. UNEARNED REVENUE

	2008	2007	2006
Rural Municipality of Springfield - tributary drains	$ 84,753	$ 84,753	$ 93,753
Hillside Pool and Riffle project	-	-	17,500
Province of Manitoba - Prairie Grove flood claim	150,000	-	-
Rural Municipality of Springfield - Prairie Grove flood claim	15,000	-	-
Salmon Lake	-	5,372	19,860
Trails	7,000	-	-
Other	10,271	-	-
	$ 267,024	$ 90,125	$ 131,113

8. LONG TERM DEBT

	2008	2007	2006
Mortgage, interest at prime, monthly principal and interest payments of $905, matures September 15, 2014.	$ 114,032	$ 132,639	$ 135,904
Vehicle loan, 0% interest, monthly payments of $710, matures April 2009.	9,236	17,761	26,287
	123,268	150,400	162,191
Less: Current portion	(13,583)	(12,003)	(12,151)
	$ 109,685	$ 138,397	$ 150,040

Security consists of promissory notes, assignment of fire insurance and a chattel mortgage on the vehicle.

Principal repayment over the next five years is approximately as follows:

2009	13,583
2010	6,037
2011	5,609
2012	5,909
2013	6,222

COOKS CREEK CONSERVATION DISTRICT NO. 5

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2008

9. RESERVE FUNDS

	2008	2007	2006
Reserve for operating expenditures	$ 55,102	$ 52,910	$ 40,896
Reserve for office facility	11,359	7,343	3,540
Reserve for vehicle replacement	17,297	11,291	5,503
	$ 83,758	$ 71,544	$ 49,939

10. TRANSPORTATION AND MAINTENANCE

The District has recorded transportation revenue of $13,616 (2007 - $13,820) for the year based on mileage for different projects. An equal amount has been allocated to different projects as an expense. The revenue amount is decreased by vehicle expenses such as gasoline, insurance and amortization.

11. CHANGES IN NON-CASH WORKING CAPITAL

	2008	2007	2006
Increase (decrease) in cash from changes in:			
Accounts receivable	$ (7,408)	$ 987	$ 46,959
Prepaid expense	2,262	(56)	(1,893)
Accounts payable	1,725	1,087	33,220
Unearned revenue	176,899	(40,988)	109,113
	$ 173,478	$ (38,970)	$ 187,399

12. COMMITMENTS

The District has committed $19,335 for the purchase of culverts and $10,361 for a cost benefit analysis as of March 31, 2008.

13. FINANCIAL INSTRUMENTS

Fair value

The carrying values of cash and term deposits, accounts receivable and accounts payable approximate fair value because of their short term maturities. The carrying value of the mortgage approximates fair value because the interest rate is floating. The amount shown for the vehicle loan does not reflect fair value, however, the difference between carrying value and fair value is not material.

The District classifies its financial instruments into one of the following categories based on the purpose for which the asset (liability) was acquired. The District's accounting policy for each category is as follows:

Loans and receivables - These assets are non-derivative financial assets resulting from the delivery of cash or other assets by a lender to a borrower in return for a promise to repay on a specified date or dates, or on demand. They arise principally through the provision of goods and services (accounts receivable), but also incorporate other types of contractual monetary assets. They are initially recognized at fair value and subsequently carried at amortized cost, using the effective interest rate method, less any provision for impairment.

Other financial liabilities - Other financial liabilities include accounts payable and long term debt. These amounts are initially recognized at fair value and subsequently carried at amortized cost using the effective interest rate method except for the vehicle loan as noted above.

Interest rate risk

This is the risk to the organization's earnings that arises with fluctuations in interest rates. The organization does not use any derivative financial instruments to reduce its exposure to interest rate risk.

14. RISK MANAGEMENT

Consistent with other small entities, management's risk management policies are informal and are typically performed as a part of the overall management of the entity's operations. Management is aware of risks related to the District's overall objectives without the use of a formal process but through direct personal involvement with its staff and outside parties. Management's close involvement in operations identifies risks and variations from expectations leading to changes in risk management activities and requirements and actions. Management has not entered into hedging transactions to manage risk. As a part of the overall management of the entity's operations management informally considers avoidance of undue concentrations of risk, and may require collateral to mitigate credit risk.

COOKS CREEK CONSERVATION DISTRICT NO. 5

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2008

15.MANAGING THE ORGANIZATION'S SURPLUS

The District's objectives when managing its surplus are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide services to members and benefits for other stakeholders, and
- to price services commensurately with the level of risk and market forces and the District's objectives.

The District sets the amount of surplus in proportion to risk and its ability to obtain funding. The District manages its assets and makes adjustments in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the structure, the District may seek additional sources of funding, sell assets to reduce debt or undertake other activities at its discretion.

Consistent with other not-for-profit organizations, the District monitors its surplus (through direct personal involvement with its staff and outside parties) informally and from time-to-time using a variety of measures, depending on the circumstances. Monitoring procedures are informal and are typically performed as a part of the overall management of the entity's operations. Management is aware of risks related to these objectives through direct personal involvement with its staff and outside parties. During the year, the District's strategy, which was unchanged from the prior year, was to maintain its ability, as needed, to operate and to secure access to funding at a reasonable cost, recognizing that the requirements and terms of funders cannot be predicted and change in ways the District cannot predict.

COOKS CREEK CONSERVATION DISTRICT NO. 5

SCHEDULE OF EXPENDITURES

FOR THE YEAR ENDED MARCH 31, 2008

	2008	2007	2006
ADMINISTRATION			
Administrator assistant wages	$ -	$ -	$ 721
Administrator wages and expenses (portion only)	15,604	24,452	30,624
Audit and legal	2,244	1,573	1,471
Board expenses (100%)	6,853	9,914	6,427
Board remuneration and expenses	2,267	1,685	7,061
District expansion	-	-	1,352
Insurance	1,278	2,588	2,257
Manager expenses	-	-	811
Manager salary and benefits (portion only)	25,764	47,705	31,118
Office operation	7,039	6,680	10,151
Utilities	3,312	3,677	3,842
	$ 64,361	$ 98,274	$ 95,835
PUBLIC EDUCATION	$ 60,088	$ 60,039	$ 64,667
ASSETS	$ 1,898	$ 3,062	$ 3,432
WATERSHED PLANNING	$ -	$ 3,613	$ 6,403

COOKS CREEK CONSERVATION DISTRICT NO. 5

SCHEDULE OF EXPENDITURES

FOR THE YEAR ENDED MARCH 31, 2008

	2008	2007	2006
DISTRICT PROGRAMS			
WILDLIFE/FISHERIES			
Wildlife habitat	$ 35,288	$ 57,299	$ 42,345
FORESTRY			
Tree program	1,090	21,184	497
SOILS			
Riparian protection and erosion control	5,015	1,641	809
Subdivisions/public relations	1,965	3,148	2,022
WATER			
Abandoned wells	5,175	4,888	8,355
Creek water quality testing	1,556	208	-
Drainage licensing	3,769	1,733	6,994
Water retention studies	20,836	65,953	29,003
DRAIN INFRASTRUCTURE			
Emergency damage restoration	135,213	421,306	31,828
Maintenance	74,654	60,655	30,334
Reconstruction	95,721	98,376	77,587
Tributary drains	2,870	9,194	465,587
CROSSINGS INFRASTRUCTURE			
Repairs/replacements	92,391	50,807	89,718
	$ 475,543	$ 796,392	$ 785,079

COOKS CREEK CONSERVATION DISTRICT NO. 5

SCHEDULE OF COST SHARING

FOR THE YEAR ENDED MARCH 31, 2008

(Unaudited)

	Revised Budget	Total Expenditures	Provincial	Local		External
				Levy	Other	
WATERSHED PLANNING	$ 5,000	$ -	$ -	$ -	$ -	$ -
ADMINISTRATION						
100% Board	5,000	6,854	-	(1,921)	8,775	-
Office operation/planning	51,000	57,507	43,130	14,377	-	-
	56,000	64,361	43,130	12,456	8,775	-
ASSETS - EQUIPMENT	7,500	1,898	-	1,898	-	-
PUBLIC EDUCATION	60,000	60,088	45,040	15,013	35	-
WILDLIFE/FISHERIES	69,000	35,289	20,444	6,815	8,030	-
FORESTRY	41,000	1,090	818	272	-	-
SOILS	5,000	6,980	5,235	1,745	-	-
WATER						
Studies/quality/drainage lic.	30,750	31,335	12,437	4,146	11,891	2,861
CROSSINGS INFRASTRUCTURE						
Repairs/replacements	55,000	92,390	47,488	29,868	10,219	4,815
DRAIN INFRASTRUCTURE						
Maintenance/reconstruction	138,750	173,245	110,408	43,140	4,040	15,657
EMO - DFA	394,900	135,213	-	-	13,521	121,692
	533,650	308,458	110,408	43,140	17,561	137,349
TOTAL EXPENDITURES	$ 862,900	$ 601,889	$ 285,000	$ 115,353	$ 56,511	$ 145,025
TOTAL EXPENDITURES (%)		100	47	19	10	24

PROVINCIAL GRANT RECEIVABLE/PAYABLE SUMMARY

2007/2008 Grant received	$ 285,000
Less: share of expenditures	(285,000)
Provincial Grant Remaining - overspent	$ -

Total levy collected	$ 160,572
Levy spent	(115,353)
Wildlife site loan principal	(14,600)
Levy remaining	$ 30,619

EAST INTERLAKE CONSERVATION DISTRICT

FINANCIAL STATEMENTS

MARCH 31 2008

KWB KWB CHARTERED ACCOUNTANTS INC.

800-125 Garry Street
Winnipeg, MB R3C 3P2
T 204 982 3870
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www.kwb.ca

AUDITORS' REPORT

To the Board of Directors of
East Interlake Conservation District

We have audited the statement of financial position of East Interlake Conservation District as at March 31, 2008 and the statements of operations and changes in net assets, for the year then ended. These financial statements are the responsibility of the organizations executive. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KWB

KWB CHARTERED ACCOUNTANT INC.

July 11, 2008

EAST INTERLAKE CONSERVATION DISTRICT
STATEMENT OF FINANCIAL POSITION
March 31, 2008

ASSETS

	2008	2007
Current Assets		
Cash	$ 12,375	$ 8,785
Accounts receivable	16,383	104,597
	28,758	113,382
Property, Plant And Equipment - Note 3	20,768	27,883
	$ 49,526	$141,265

LIABILITIES

	2008	2007
Current Liabilities		
Accounts payable and accrued liabilities	$ 6,007	$ 1,800
Future revenue - Note 5	10,000	107,318
	16,007	109,118

NET ASSETS

	2008	2007
Invested in prope-ty, plant and equipment	20,768	27,883
Unrestricted	12,751	4,264
	33,519	32,147
	$ 49,526	$141,265

ON BEHALF OF THE BOARD:

Harold J. Foster Director

Dennis Persoage Director

EASTERN INTERLAKE CONSERVATION DISTRICT
STATEMENT OF CHANGES IN NET ASSET
Year ended March 31, 2008

	Invested in Property Plant & Equipment	Unrest- tricted	2008	2007
Balance, beginning or year	$ 27,883	$ 4,264	$ 32,147	$ 3,792
Excess of revenue over expenses	-	1,372	1,372	28,355
Amortization	(8,387)	8,387	-	-
Investment in property, plant and equipment	1,272	(1,272)	-	-
Balance, end of year	$ 20,768	$ 12,751	$ 33,519	$ 32,147

EASTERN INTERLAKE CONSERVATION DISTRICT
STATEMENT OF OPERATIONS
Year ended March 31, 2008

	2008	2007
Revenue		
Province of Manitoba grant	$225,000	$185,000
Municipal grants	94,573	63,720
Other grants	92,148	101,648
Miscellaneous income	4,997	2,843
	416,718	353,211
General administrative and program costs - Appendix A	415,749	325,071
Income from operations	969	28,140
Other revenues		
Interest	403	215
Excess of revenue over expenses	$ 1,372	$ 28,355

EASTERN INTERLAKE CONSERVATION DISTRICT
STATEMENT OF CASH FLOWS
Year ended March 31, 2008

	2008	2007
From operating activities		
Net income	$ 1,372	$ 28,355
Items not affecting cash		
Amortization expense	8,387	11,648
	9,759	40,003
Net changes in non-cash working capital items	(4,896)	4,307
	4,863	44,310
From investing activities		
Acquisition of property, plant and equipment	(1,273)	(32,492)
Cash increase (decrease)	3,590	11,818
Cash, beginning of year	8,785	(3,033)
Cash (deficiency), end of year	$ 12,375	$ 8,785

Net changes in non-cash working capital items:		
Accounts receivable	$ 88,214	($103,011)
Accounts payable and accrued liabilities	4,208	-
Future revenue	(97,318)	107,318
	($ 4,896)	$ 4,307

EASTERN INTERLAKE CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2008

1. Nature of The Organization

The East Interlake Conservation District was approved by an Order In Council by the Province of Manitoba on August 24, 2005. It had previously commenced operations in October of 2004.

The District's mandate is to provide soil and water management decisions on resource conservation and environmental awareness for the area in the eastern interlake area of Manitoba. The District is exempt from income taxes.

2. Significant Accounting Policies

These financial statements reflect the following policies:

Financial Instruments

The company's financial instruments consist of cash, accounts receivable and accounts payable. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

Property, Plant and Equipment

Property, plant and equipment are accounted for at cost. Amortization is based on their estimated useful life using the diminishing balance basis and the following annual rates:

Automotive	- 30% per year
Computer equipment	- 30% per year
Furniture and fixtures	- 20% per year

Revenue Recognition

Provincial grant revenue is recognized on an accrual basis. Municipal grant revenue is recognized as it is invoiced to the various municipalities.

Use of Estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

EASTERN INTERLAKE CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2008

3. Property, Plant And Equipment

	Original Cost	Accumulated Amortization	Net Book Value
March 31, 2008			
Automotive	$ 30,712	$ 15,664	$ 15,048
Computer equipment	10,592	6,224	4,368
Furniture and fixtures	2,348	996	1,352
	$ 43,652	$ 22,883	$ 20,768
March 31, 2007			
Automotive	$ 30,712	$ 9,214	$ 21,498
Computer equipment	9,320	4,625	4,695
Furniture and fixtures	2,348	658	1,690
	$ 42,380	$ 14,497	$ 27,883

4. Bank Overdraft

The district has a commercial line of credit in the amount of $10,000 with interest calculated on the balance in use at prime plus 3%.

5. Future revenue

Future revenue represents amounts collected that are revenue applicable to the subsequent accounting period.

6. Comparative Figures

Certain comparative figures for 2007 have been reclassified to make their presentation identical to that adopted in 2008.

Appendix A

EASTERN INTERLAKE CONSERVATION DISTRICT
GENERAL ADMINISTRATIVE AND PROGRAM COSTS
Year ended March 31, 2008

	2008	2007
General and Administrative		
Administration	$ 200	$ -
Amortization	8,387	11,648
Communications	3,726	3,348
Donations	200	-
Insurance	3,588	5,112
Interest and bank charges	333	202
Meals and mileage	606	-
Miscellaneous	1,000	-
Office expense	7,294	5,588
Professional development and staff training	4,728	2,366
Professional fees	2,616	1,926
Rent	11,400	11,400
RRSP contributions	1,065	2,300
Salaries and employee benefits	26,739	14,742
Workers Compensation Board	626	-
	72,508	58,632
Program Costs		
Advertising	3,816	2,184
Board renumerations	20,721	29,590
Education	18,343	6,001
Meetings	16,647	-
Water management	127,014	53,645
Watershed planning	80,310	95,678
Wildlife and fisheries	76,390	79,341
	343,241	266,439
	$415,749	$325,071

EAST INTERLAKE CONSERVATION DISTRICT

SCHEDULE OF COST-SHARING
Year Ended March 31, 2008
(Unaudited)

	Total Expenditures	Provincial	District Levies	External	Other	
ADMINISTRATION						
General	56,251.37	40,566.13	13,522.04	2,163.20		
ASSETS						
Office equipment	1,272.25	954.19	318.06			
PUBLIC EDUCATION	57,333.11	42,999.83	14,333.28			
WILDLIFE/FISHERIES						
Habitat Assessment	74,181.98	3,439.80	1,146.60	69,595.58		
SOIL						
Riparian Management	10,700.58	8,025.44	2,675.15			
WATER MANAGEMENT						
Abandoned well Sealing	40,756.61	30,618.30	10,138.31			
Water Quality/Benthic Invert. Monitoring	42,471.93	17,068.37	12,886.18	12,500.00		
Well Inventory	39,922.48	24,448.41	8,166.85	7,324.60		
WATERSHED PLANNING						
Integrated Watershed Management Plan	19,018.83	14,264.12	4,754.71			
Surface Water Management Plan	39,438.95	27,579.20	11,859.73			
Source Water Protection Plan	4,862.90	3,647.18	1,215.73			
DRAIN INFRASTRUCTURE						
Drain maintenance	21,852.04	11,389.03	10,463.01			
	$ 408,063.03	$ 225,000.00	$ 91,479.65	$ 91,583.38	$ -	
		55%	22%	22%	0%	100%

SCHEDULE OF PROVINCIAL YEAR ENDED MARCH 21, 2008

Less: 2006 - 2007 Provincial grant receivable	$ -
Provincial Grant 2007-2008	$ 225,000.00
	$ 225,000.00
LESS: 2007-2008 Allocated Grant (spent)	$ 225,000.00
PROVINCIAL GRANT REMAINING/OVERSPENT	$ -

INTERMOUNTAIN CONSERVATION DISTRICT

FINANCIAL STATEMENTS

MARCH 31, 2008

INTERMOUNTAIN CONSERVATION DISTRICT

MARCH 31, 2008

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MANAGEMENT'S RESPONSIBILITY

To the Members of the Intermountain Conservation District:

Management has responsibility for preparing the accompanying financial statements and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and making objective judgments and estimates in accordance with Canadian generally accepted accounting principles.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets safeguarded, and proper records maintained.

The Board of Directors and the Audit Committee are composed entirely of Directors who are neither management nor employees of the Intermountain Conservation District. The Audit Committee is appointed by the Board to review the financial statements in detail with management and to report to the Board prior to their approval of the financial statements for publication.

An external auditor is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Audit Committee and management to discuss their findings.

________________ Management

AUDITORS' REPORT

To the Board of Directors of Intermountain Conservation District:

We have audited the statement of financial position of Intermountain Conservation District as at March 31, 2008 and the statement of changes in net assets, operations, and cash flows for the year then ended. These financial statements are the responsibility of the Intermountain Conservation District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Intermountain Conservation District as at March 31, 2008 and the results of its operations and cash flow for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit opinion does not extend to the Schedule of Cost Sharing presented by the District.

Zaplitny and Zamrykut,
Chartered Accountants

Dauphin, Manitoba
June 5, 2008

INTERMOUNTAIN CONSERVATION DISTRICT

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2008

	2008	2007
ASSETS		
Current		
Cash in Bank	$ 85,654	$ 91,058
Short Term Investments - Note 3	37,753	32,329
Accounts Receivable	21,257	10,304
Inventory - Note 2	4,650	5,307
Prepaid Expenses	2,062	4,763
	151,376	143,761
Long Term		
Capital Assets - Note 4	129,788	141,501
	$ 281,164	$ 285,262
LIABILITIES & NET ASSETS		
Current		
Accounts Payable and Accrued Liabilities	$ 5,838	$ 5,635
Unearned Revenue	688	188
Deferred Contributions - Note 5	39,249	41,882
Current Portion of Long Term Debt	10,062	6,152
	55,837	53,857
Long Term		
Long Term Debt - Note 6	-	24,532
	55,837	78,389
Net Assets	225,327	206,873
	$ 281,164	$ 285,262

Approved on Behalf of the Board

__________________ Chairperson

__________________ Director

(The accompanying notes are an integral part of these financial statements.)

INTERMOUNTAIN CONSERVATION DISTRICT

STATEMENT OF NET ASSETS

AS AT MARCH 31, 2008

	Invested in Capital Assets	Internally Restricted	Unrestricted	Net Assets 2008	Net Assets 2007
Balance, Beginning of Year	$ 97,551	$ 20,000	$ 89,322	$ 206,873	$ 183,538
Difference between Revenue and Expenditures	(16,019)		34,473	18,454	23,335
Capital Assets Acquired	4,305		(4,305)		
Repayment of Long Term Debt	20,621		(20,621)		
Balance, End of Year	$ 106,458	$ 20,000	$ 98,869	$ 225,327	$ 206,873

(The accompanying notes are an integral part of these financial statements.)

INTERMOUNTAIN CONSERVATION DISTRICT

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2008

	2008	2007
REVENUE		
Province of Manitoba -		
Core Operating	$ 252,000	$ 220,000
Sustainable Development Innovations Fund	5,400	
Green Team	2,721	2,115
Government of Canada -		
Fisheries and Oceans	5,000	5,000
Municipal Levies	94,143	94,144
Municipal Grants		6,261
Other Grants		584
General Contributions	200	
External Partner Funding	31,102	18,681
Facility Rent	5,357	5,357
Banquet	2,442	1,930
Tours, Meetings, and Workshops	968	755
Investment Income	3,203	2,182
Miscellaneous	2,540	689
	405,076	357,698
EXPENDITURES	386,622	334,363
DIFFERENCE BETWEEN REVENUE AND EXPENDITURES	$ 18,454	$ 23,335

(The accompanying notes are an integral part of these financial statements.)

INTERMOUNTAIN CONSERVATION DISTRICT

SCHEDULE OF EXPENDITURES

FOR THE YEAR ENDED MARCH 31, 2008

	2008	2007
EXPENDITURES		
Programs and Services -		
Abandoned Wells	$ 742	$ 3,072
Grassed Waterways	53,571	44,758
Pasture Pipeiine	3,400	246
Public Relations and Education	33,997	21,530
Stream and Gully Stabilization	59,441	49,907
Watershed Management	21,029	9,634
	172,180	129,147
Administration and Operations -		
Accounting and Legal	2,675	2,675
Advertising and Promotion	8,408	4,310
Amortization	16,019	15,873
Bad Debts		166
Bank Charges	176	244
Board Remuneration	24,708	25,934
Insurance	3,727	3,725
Interest on Long Term Debt	1,770	748
MCDA Dues and Licensing Fees	3,363	3,250
Office Expense	13,636	9,056
Office Repairs and Maintenance		4,676
Staff Wages and Benefits	107,939	110,544
Utilities	10,619	8,286
Field Gear	2,318	803
Equipment and Vehicle Maintenance	19,084	14,238
Miscellaneous		688
	214,442	205,216
	$ 386,622	$ 334,363

(The accompanying notes are an integral part of these financial statements.)

INTERMOUNTAIN CONSERVATION DISTRICT

STATEMENT OF CASH FLOWS

MARCH 31, 2008

	2008	2007
CASH PROVIDED BY OPERATING ACTIVITIES		
Net Income for the Year	$ 18,454	$ 23,335
Items not requiring an outlay of cash:		
Amortization	16,019	15,873
	34,473	39,208
CHANGES IN NON-CASH WORKING CAPITAL		
Accounts Receivable	(10,953)	241
Grant Receivable		2,500
Inventory	657	1,446
Prepaid Expenses	2,701	(947)
Accounts Payable and Accrued Liabilities	202	(11,393)
Current Portion of Long Term Debt	3,910	(11,208)
Unearned Revenue	500	38
Deferred Contributions	(2,633)	(7,386)
	(5,616)	(26,709)
NET CASH PROVIDED BY OPERATING ACTIVITIES	28,857	12,499
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Long Term Debt	(24,532)	(7,860)
New Debt Issued		30,000
CASH FLOWS USED IN FINANCING ACTIVITIES	(24,532)	22,140
CASH FROM INVESTING ACTIVITIES		
Acquisition of Capital Assets	(4,305)	(40,070)
NET INCREASE IN CASH IN BANK	20	(5,431)
NET CASH IN BANK, Beginning of Year	123,387	128,818
NET CASH IN BANK, End of Year	$ 123,407	$ 123,387

NET CASH IN BANK consists of the following:

	2008	2007
Cash	$ 85,654	$ 91,058
Short Term Investments	37,753	32,329
	$ 123,407	$ 123,387

(The accompanying notes are an integral part of these financial statements.)

1. NATURE OF ORGANIZATION

The Intermountain Conservation District (IMCD) was formed on July 15th, 1997 and incorporated under the laws of the Province of Manitoba. The IMCD operates under the authority of the Conservation Districts Act as a not-for-profit organization and its purpose is to provide for the conservation, control, and prudent use of resources throughout its established district. The programs that it undertakes are funded jointly between the Province of Manitoba, participating municipal governments, and individuals.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Inventory

Inventory is valued at the lower of cost and net realizable value on a first-in, first-out basis.

(b) Capital Assets

Capital assets are recorded at cost. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Building	30 Years Straight Line
Automotive	8 Years Straight Line
Office Furniture	15 Years Straight Line
Office Equipment and Signs	5 Years Straight Line
Field Equipment	10 Years Straight Line

(c) Income Taxes

IMCD is a not-for-profit organization and it is exempt from income taxes under Section 149 of the Income Tax Act.

(d) Revenue Recognition

The IMCD follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount received can be reasonably estimated and collection is reasonably assured.

Unrestricted investment income is recognized as revenue when earned.

Fees for services are recognized as revenue when the agreed upon services to the participant have been completed, the amount to be received can be reasonably estimated, and collection is reasonably assured.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

(e) Measurement Uncertainty

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may vary from current estimates. These estimates are reviewed periodically and , as adjustments become necessary, they are reported in earnings in the periods in which they become known.

(f) Financial Instruments

The organization as part of its operations carries a number of financial instruments. It is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments.

3. SHORT TERM INVESTMENTS

The organization has invested funds in a guaranteed investment certificate at an annual rate of 2.25% maturing on April 14, 2008.

4. CAPITAL ASSETS

	Cost	Amortization	Net 2008	Net 2007
Land	$ 5,000	$	$ 5,000	$ 5,000
Building	89,280	24,231	65,049	68,026
Office Furniture	7,044	3,084	3,960	2,244
Office Equipment	38,564	29,435	9,129	9,380
Field Equipment	17,545	11,366	6,179	7,934
Vehicles	106,604	66,133	40,471	48,917
	$ 264,037	$ 134,249	$ 129,788	$ 141,501

5. DEFERRED CONTRIBUTIONS

Deferred contributions represent externally restricted operating funding received in the current period that is related to the subsequent period. Changes in the deferred contributions balance are as follows:

	2006	2005
Beginning Balance, Relating to Operating Funding	$ 41,882	$ 48,730
Less: Amount Recognized as Funding in the Year	(39,466)	(46,314)
Add: Amount Received Relating to the Following Year	36,833	39,466
Ending Balance, Relating to Operating Funding	$ 39,249	$ 41,882

6. LONG TERM DEBT

	2008	2007
Ethelbert Credit Union Limited - Commercial Loan #4 Interest Rate: 8.00% Terms: Repayable in blended monthly installments of $600 for 60 months. The organization has opted pay an additional blended payment of $900 per month. Security: Truck	$ 10,062	$ 29,549
Less: Current Portion	10,062	5,017
	-	24,532
Ethelbert Credit Union Limited - Commercial Mortgage #2 Interest Rate: 4.75% Terms: Repayable in blended monthly installments of $900 for 85 months. Security: Land and buildings on SE 36-29-22 W. Original amount of mortgage was $60,000 which was received August 2000..	-	1,135
Less: Current Portion	-	1,135
	-	-
	$ -	$ 24,532

7. RESTRICTIONS ON NET ASSETS

In February 2006, the organization's board of directors internally restricted $20,000 of unrestricted net assets to be held for the purposes of completing studies on the Garland and Wilson River watersheds. These studies are to commence in the 2007-08 fiscal year and these internally restricted amounts are not available for any other purposes without approval of the Board of Directors.

8. LEASE OBLIGATIONS

The organization as part of its operations has entered into an agreement with Xerox Canada to lease a photocopier making payments of $511 per quarter starting December 23, 2005 for the next sixty six months.

9. FAIR VALUE DISCLOSURE

The carrying amount of accounts receivable, short-term investments, accounts payable and accrued liabilities approximates their fair value due to the short-term maturities of these items.

The fair value of the organization's fixed rate long term debt is also, approximated by its carrying value, as there have been no significant changes in lending rates or other conditions.

10. ECONOMIC DEPENDENCE

The organization's chief source of income is derived from government grants and its ability to continue viable operations is dependent upon the maintenance of these grants.

INTERMOUNTAIN CONSERVATION DISTRICT

SCHEDULE OF COST SHARING

FOR THE YEAR ENDED MARCH 31, 2008

	Total Expenditures	Provincial	Board	External
Administration				
Insurance	$ 3,858.56	$ 2,893.92	$ 964.64	$
Office Operation	32,830.35	20,848.30	9,261.09	2,720.96
Professional Fees	3,038.39	2,278.79	759.60	
	39,727.30	26,021.01	10,985.33	2,720.96
Public Education				
MCDA Dues	3,000.00	2,250.00	750.00	
Communication and Signage	9,290.14	6,922.60	2,367.54	
Educational Activities	34,407.73	17,855.80	5,951.93	10,600.00
Public Relations	29,430.87	19,588.45	9,842.42	
Professional Development	12,278.10	9,135.53	3,142.57	
	88,406.84	55,752.38	22,054.46	10,600.00
Soil Management				
Riparian Zone Management	3,197.21	2,397.91	799.30	
Grassed Waterways	84,757.59	51,214.06	33,543.53	
	87,954.80	53,611.97	34,342.83	
Watershed Management				
Watershed Monitoring	4,775.21	3,581.41	1,193.80	
Watershed Planning	63,313.84	47,485.38	15,828.46	
	68,089.05	51,066.79	17,022.26	
Water Management				
Stabilization	73,194.35	46,829.70	26,364.65	
Pasture Pipeline	5,119.10	1,471.48	3,647.62	
Waterway Management	18,268.15	13,267.05	5,001.10	
Abandoned Wells	5,899.23	4,320.17	1,579.06	
	102,480.83	65,888.40	36,592.43	
Subtotal	$ 386,658.82	$ 252,340.55	$ 120,997.31	$ 13,320.96

INTERMOUNTAIN CONSERVATION DISTRICT

SCHEDULE OF COST SHARING

FOR THE YEAR ENDED MARCH 31, 2008

	Total Expenditures	Provincial	Board	External
Subtotal	386,658.82	252,340.55	120,997.31	13,320.96
Assets				
Office Equipment	4,865.79	3,649.34	1,216.45	
Board Expenses				
Amortization	16,018.64		16,018.64	
Bank Charges	175.70		175.70	
Loan Interest Fees	1,769.78		1,769.78	
Total Board Expenses	17,964.12		17,964.12	
Total	$ 409,488.73	$ 255,989.89	$ 140,177.88	$ 13,320.96

Appendix E

KELSEY CONSERVATION DISTRICT

FINANCIAL STATEMENTS

MARCH 31, 2008

Prepared by the accounting firm of:
M. FAYE KOBELKA
Certified General Accountant

KELSEY CONSERVATION DISTRICT

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M. FAYE KOBELKA
CERTIFIED GENERAL ACCOUNTANT
BOX 1228
THE PAS, MB
R9A 1L2
TEL: 204-623-4664 FAX: 204-623-4686

Auditor's Report

To: The Board of Directors
KELSEY CONSERVATION DISTRICT

I have audited the statement of financial position of Kelsey Conservation District as at March 31, 2008 and the Statement of Operations and Changes in Net Assets for the year then ended. These financial statements are the responsibility of the District's Management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian Generally Accepted Auditing Standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of Kelsey Conservation District as at March 31, 2008 and the results of its operations and the changes in it's net assets for the year then ended in accordance with Canadian Generally Accepted Accounting Procedures.

M. Faye Kobelka
Certified General Accountant

July 11, 2008
The Pas, MB

KELSEY CONSERVATIÓN DISTRICT
STATEMENT OF FINANCIAL POSITION
Audited
For the Year Ended March 31, 2008

	2008	2007
ASSETS		
CURRENT		
Cash	$ -	$ 12,832
Accounts Receivable (note 3)	2,210	11,786
Prepaid expenditures	643	193
Inventories	114	113
	2,967	24,924
PROPERTY, PLANT & EQUIPMENT (Note 5)	45,199	28,116
	$ 48,166	$ 53,040
LIABILITIES & FUND BALANCES		
CURRENT LIABILITIES		
Bank Indebtedness	$ 7,721	$ -
Accounts Payable and Accrued Expenses (note 4)	4,322	5,626
	12,043	5,626
RESTRICTED FUNDS	-	3,049
INVESTMENT IN CAPITAL ASSETS	45,199	28,116
GENERAL OPERATING FUND	(9,076)	16,249
	$ 48,166	$ 53,040

Approved on behalf of the Board

KJoyal

Chairperson, Board of Directors

(The accompanying notes are an integral part of these financial statements)

KELSEY CONSERVATION DISTRICT
STATEMENT OF OPERATIONS
Audited
For the Year Ended March 31, 2008

	2008	2007
REVENUES		
Grant Contributions:		
Provincial	$ 150,000	$ 140,000
RM Kelsey (Local)	50,000	46,666
Producer Contributions	3,050	-
External Funding	3,475	-
	206,525	186,666
GENERAL & ADMINISTRATIVE EXPENDITURES		
Amortization	10,708	8,451
Automotive - administrative share	1,644	573
Office - administrative share	1,409	1,373
Rent	5,400	5,400
Utilities	3,719	4,380
Wages & Benefits (administration)	5,292	3,530
	28,172	23,707
PROJECT EXPENDITURE (Appendix B)	187,238	148,403
	215,410	172,110
Excess / (Deficiency) of Revenues over Expenditures	$ (8,885)	$ 14,556

(The accompanying notes are an integral part of these financial statements)

KELSEY CONSERVATION DISTRICT
STATEMENT OF CHANGES IN NET ASSETS
Audited
For the Year Ended March 31, 2008

	2008				2007
	Investment in Capital Assets	Wanless Historical Cabin Trust	General Operating Fund	Total Funds	Total Funds
Balance, Beginning of Year	$ 28,116	$ 3,049	$ 16,249	$ 47,414	$ 33,458
Capital Transactions:					
Property, Plant & Equipment Addition	27,791		(27,791)	-	-
Amortization	(10,708)		10,708	-	-
Allocation of Restricted Funds from cash		(3,049)		(3,049)	-
Prior Period Adjustments (Note 6)			643	643	(600)
Excess / (Deficiency) of Revenue over Expenditures			(8,885)	(8,885)	14,556
Balance, End of Year	$ 45,199	$ -	$ (9,076)	$ 36,123	$ 47,414

(The accompanying notes are an integral part of these financial statements)

1. OPERATIONS

Kelsey Conservation District operates under an established Board of Directors, who self select the Chair and Vice-Chair positions within the Board. One director is Provincially Appointed. The Kelsey Conservation District was established primarily for the purpose of providing resource programs and planning for sustainable soil and water management within the RM of Kelsey.

The funding for operations is provided on a Provincial (75%) and Municipal (25%) basis. Additional funds may be obtained through partnerships with producers and external agencies.

Kelsey Conservation District is a Canadian registered charity.

2. SIGNIFICANT ACCOUNTING POLICIES

General

In accordance with generally accepted accounting principles, the organization utilized the accrual basis of accounting for all revenues and expenditures.

Fund Accounting

The organization maintains its accounts in accordance with the principles of fund accounting in order that limitations and restrictions placed on the use of the available resources are observed. Under fund accounting, resources are classified for accounting and reporting purposes into funds in accordance with specified activities or objectives. A general operating fund, restricted fund, and capital funds are used.

Project reporting / Administrative expenditure reporting Policy

As part of the conditions of the provincial funding, the organization must report it's expenditure in a project driven manner and as such, the policy regard the terms of the provincial funding was revised in May 2003.

3. ACCOUNTS RECEIVABLE

	2008	2007
Program Receivables	$ -	$ 1,922
GST Refund / Source Ded. Credit	2,210	9,864
	$ 2,210	$ 11,786

4. ACCOUNTS PAYABLE (NET)

	2008	2007
Audit Accrual	$ 2,140	$ 1,650
Program Payables	-	2,742
Payroll Accrual	2,182	1,234
	$ 4,322	$ 5,626

5. PROPERTY, PLANT & EQUIPMENT

Property, Plant & Equipment are recorded at cost. Amortization is recorded using the following method and Rates as follows with 1/2 of the normal rate being used in the year of acquisition.

Equipment	20%	declining balance
Computer Hardware	30%	declining balance
Computer Software	20%	straight-line
Vehicle	30%	declining balance

	Cost	Accumulated Amortization	Net Book Value 2008	Net Book Value 2007
Equipment	$ 48,169	$ 33,002	$ 15,167	$ 18,958
Computer Hardware	16,548	12,777	3,771	4,452
Computer Software	16,982	16,483	499	262
Vehicle	34,649	8,887	25,762	4,444
	$ 116,348	$ 71,149	$ 45,199	$ 28,116

6. PRIOR PERIOD ADJUSTMENT

The Prior Period Adjustment in 2007 was a timing adjustment for $600 for a missed expense from 2006. It is immaterial in nature.

7. STATEMENT OF CASH FLOW

As the organization is reporting on a fund accounting basis, a statement of cash flow has not been included with these financial statements as its inclusion would not provide additional meaningful information.

8. COMPLETION & AUTHORIZATION

Date of Substantial Completion:	July 11, 2008
Date of Authorization & Issue	
Authorized by:	______________________
	Chairperson, Board of Directors

M. FAYE KOBELKA
CERTIFIED GENERAL ACCOUNTANT
BOX 1228
THE PAS, MB
R9A 1L2
TEL: 204-623-4664 FAX: 204-623-4686

AUDITOR'S COMMENTS ON SUPPLEMENTARY INFORMATION

To the Executive of:
KELSEY CONSERVATION DISTRICT

The audited financial statements of Kelsey Conservation District as at March 31, 2008and my report July 11, 2008 are presented in the preceding section of this report. The supplementary information presented hereafter was derived from the accounting records tested by me as part of the auditing procedures followed in my examination of the financial statements and, in my opinion, they are presented in all material respects in relation to the financial statements taken as a whole.

M. Faye Kobelka
Certified General Accountant

July 11, 2008
The Pas, MB

KELSEY CONSERVATION DISTRICT
APPENDIX A - SCHEDULE OF COST SHARING
Audited
For the Year Ended March 31, 2008

	Total Expenditures	Provincial Contribution	Other Contribution
Administration (Note 2)	$ 17,464	$ 12,161	$ 5,303
Assets	10,708	7,456	3,252
Programs	137,503	95,750	41,753
Public Education	49,735	34,633	15,102
Total Expenditure	$ 215,410	$ 150,000	$ 65,410
Provincial Grants Received		150,000	
Less: Provincial Share of Expenditure		150,000	
Provincial Excess		$ -	

KELSEY CONSERVATION DISTRICT
APPENDIX B - SCHEDULE OF PROJECT EXPENDITURE
Audited
For the Year Ended March 31, 2008

	2008	2007
PUBLIC EDUCATION		
Automotive	$ 447	$ 2,398
Board Remuneration	-	14,571
Expansion	-	1,091
Farm Family	1,105	1,091
Management Plan	-	956
MCDA Convention & Tour	8,496	5,212
Meetings & Travel	5,240	4,997
Newsletter / Advertising	6,752	4,602
Northern Water Festival	9,942	-
Office & Supplies	748	1,639
Partner / Project Signage	1,375	1,189
Professional Development	-	6,335
Public Education / Relations	2,528	6,511
School Program	4,022	4,418
Summer Tour	9,080	3,805
	49,735	58,815
RECREATION / TOURISM		
Automotive	70	11
Cranberry Dock	-	29
Eco-Tourism / Interpretive Trail	570	334
Grace Lake Education Centre	-	1,515
Grace Lake Trail	-	1,143
Heritage Building	-	29
Office & Supplies	18	121
Wanless Community Grounds	-	29
Wanless Dock	-	1,154
	658	4,365
SOILS		
Automotive	1,251	1,204
Bale Grazing	-	899
Burdock Control	1,105	1,338
Composting	10,576	4,518
Forage Program	-	1,479
Heavy Harrow Program	-	1,139
Native Grass Planting	1,105	1,139
Office & Supplies	658	892
Rotational Winter Feeding	-	29
Rotational Grazing	-	2,250
Saline Soils	2,105	1,069
Soil Sampling	6,867	6,479
Swath Grazing	-	6,519
Tree Planting	2,097	2,052
Zero Till	-	1,091
	25,764	32,097

KELSEY CONSERVATION DISTRICT
APPENDIX B - SCHEDULE OF PROJECT EXPENDITURE
Audited
For the Year Ended March 31, 2008

	2008	2007
WATER		
Abandoned Wells	8,335	5,555
Automotive	1,502	1,134
Buffer Strip	4,026	1,247
Chemical Storage	2,035	1,139
Drainage	-	1,139
Exclusion Fencing	2,277	1,253
Livestock Watering	16,961	9,072
Manure Composting	-	1,140
Manure Management	5,847	9,165
Office & Supplies	1,212	1,093
Pasture Pipeline	1,106	1,142
Riparian Rehab	1,105	1,140
Recycling	-	29
Rotational Winter Feeding	2,071	-
Summerberry Project	2,517	1,155
Swath / Bale Grazing	4,778	-
Well Disinfection	1,294	1,368
Water Protection	1,097	1,367
Well Quality Testing	-	1,134
	56,163	39,272
WATERSHED		
Source Water Protection Plan	14,307	-
Office & Supplies	290	-
	14,597	-
WILDLIFE		
Artificial Nesting Structures	1,748	1,796
Automotive	70	251
Beaver Baffler Program	-	991
Cranberry Breakwater	-	1,139
Cranberry Creel	-	1,139
Cranberry Trail	-	2,950
Fish Stocking	1,396	1,139
Fishway Study	-	1,529
Office & Supplies	70	376
Other	-	1,111
Rocky Lake Study	-	1,131
	3,284	13,552
BOARD & STAFF DEVELOPMENT		
Automotive	3,266	-
Office & Supplies	1,233	-
Professional Development	7,482	71
Renumeration, Chargeable Time & Other	16,091	-
Staff Meetings	8,965	231
	37,037	302
TOTAL PROJECT EXPENDITURE	$ 187,238	$ 148,403

Appendix F

LASALLE REDBOINE CONSERVATION DISTRICT

FINANCIAL STATEMENTS

For the year ended March 31, 2008

LASALLE REDBOINE CONSERVATION DISTRICT

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AUDITORS' REPORT

To the Board of Directors:
LaSalle Redboine Conservation District
Holland, Manitoba

We have audited the statement of financial position of **LaSalle Redboine Conservation District** as at **March 31, 2008** and the statement of operations for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at **March 31, 2008** and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit opinion does not extend to the Schedules of Cost Sharing and Provincial Contributions presented by the District.

Sensus
PARTNERSHIP OF
CHARTERED ACCOUNTANTS

Brandon, Manitoba
June 10, 2008

LASALLE REDBOINE CONSERVATION DISTRICT
STATEMENT OF FINANCIAL POSITION
For the year ended March 31, 2008

	2008	2007
ASSETS		
CURRENT		
Cash	$ 13,065	$ 24,185
Short term investments (Note 2)		24,882
Accounts receivable (Note 2)	23,795	27,879
Provincial grant receivable (Schedule 2)	24,987	25,124
Inventories (Note 2)	5,161	5,182
	67,008	107,252
PROPERTY, PLANT AND EQUIPMENT (Notes 2 and 3)	162,177	170,054
	$ 229,185	$ 277,306
LIABILITIES		
CURRENT		
Accounts payable	$ 3,572	$ 14,139
Deferred revenue	6,116	44,589
Current portion of demand loan (Note 6)	4,354	
	14,042	58,728
Demand loan (Note 4)	16,224	
DEFERRED CONTRIBUTIONS (Note 9)	117,936	142,211
	148,202	200,939
FUND BALANCES		
INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT	35,878	27,841
PELLY RESERVE EQUITY	15,000	
UNRESTRICTED FUND	30,105	48,526
	80,983	76,367
	$ 229,185	$ 277,306

Approved on Behalf of the Board:

Director

Director

LASALLE REDBOINE CONSERVATION DISTRICT
STATEMENT OF OPERATIONS
For the year ended March 31, 2008

	2008	2007
REVENUE		
Province of Manitoba grant	$ 229,863	$ 226,934
Project revenue	92,486	16,110
Municipal grants (Note 7)	88,983	77,232
Other grants - SCI funding	37,625	20,377
- Hometown Green Team Youth Funding	4,166	2,312
- Water Stewardship	1,761	10,240
- Province of Manitoba FEI	217	25,000
- Shell environmental funding		32,398
- Fisheries & Oceans Canada		11,000
- MB Recreational Trail Association		1,500
- PFRA environmental fund		308
Amortization of deferred contributions	24,275	24,275
Other revenue	10,983	534
Interest	1,653	1,469
Human Resources Development Canada		2,544
Rebate - Municipal trading company		62
	492,012	452,295
EXPENSES, per schedule 1	$ 510,433	$ 462,234
LOSS FOR THE YEAR	(18,421)	(9,939)
UNRESTRICTED FUND, BEGINNING OF YEAR	48,526	58,465
UNRESTRICTED FUND, END OF YEAR	$ 30,105	$ 48,526

1. ENTITY DEFINITION

The La Salle Redboine Conservation District was formed January 30, 2002 by an Order - in - Council of the Province of Manitoba to administer and develop programs for the effective management and conservation of the natural resources. The District receives funding from the Province of Manitoba and certain municipalities and is governed by a Board of Directors from the various municipalities involved in the Conservation District. The District is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and includes the following significant accounting policies:

Accounts receivable

Accounts receivable have been determined to be all collectible; therefore, no allowance for doubtful accounts has been made.

Inventories

Inventory is valued at the lower of cost and net realizable value determined by the first-in, first-out method.

Property, plant and equipment

Property, plant and equipment are recorded at cost. Contributed property, plant, and equipment are recorded at fair value at the date of contribution. Where fair value cannot be reasonably determined, contributed capital assets are recorded at a nominal amount. Amortization is based on the estimated useful life of the asset and is calculated using the straight line basis at the following annual rates.

Buildings	5%
Field equipment	10%
Computer equipment	20%
Office equipment	10%
Automotive equipment	15%

Revenue recognition

Revenue is recorded in the period specified in the funding agreements entered into with government agencies and other organizations. Funding received in advance of making the related expenditures is deferred.

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Risk management policies and hedging activities

Consistent with other small entities, management's risk management policies are typically performed as a part of the overall management of the entity's operations. Management is aware of risks related to these objectives through direct personal involvement with employees and outside parties. Management's close involvement in operations identifies risks and variations from expectations leading to changes in risk management activities and requirements and actions. Management has not entered into hedging transactions to manage risk. As a part of the overall management of the entity's operations management considers avoidance of undue concentration of risk, and may require collateral to mitigate credit risk.

Contributed materials and services

Volunteers contribute numerous hours and materials during the period to assist the Organization in carrying out its service delivery activities. Because of the difficulty of determining their fair market value, contributed services and materials (other than the land and building) are not recognized in the financial statements.

Defined contribution pension plan

The Organization's pension plan is administered by Manitoba Municipal Employee Benefits Program. All expenses consist of the contributions required under the plan.

3. PROPERTY, PLANT AND EQUIPMENT

	Balance, Beginning of Year	**Additions**	**Disposals**	**Balance, End of Year**
Land	$ 2,300			$ 2,300
Buildings	116,079			116,079
Field equipment	33,765	$ 781		34,546
Computer equipment	96,739	5,151		101,890
Office equipment	5,509			5,509
Automotive equipment	51,740	22,682		74,422
	306,132	28,614		334,746
ACCUMULATED AMORTIZATION				
Buildings	19,007	5,804		24,811
Field equipment	11,965	3,027		14,992
Computer equipment	64,167	19,348		83,515
Office equipment	2,135	550		2,685
Automotive equipment	38,805	7,761		46,566
	136,079	36,490		172,569
BOOK VALUE	$ 170,053			$ 162,177

4. DEMAND LOANS

	2008	2007
Crocus Credit Union - note payable in monthly installments of $483 bearing interest at 7.75%, loan is secured by truck.	$ 20,578	$
Less: current portion	4,354	
	$ 16,224	$

Principal payments due in the next five years are as follows:

2010	$ 4,354
2011	
2012	
2013	
2014	
Subsequent	16,224
	$ 20,578

5. STATEMENT OF CASH FLOWS

A Statement of Cash Flows has not been provided as it would not provide any further information to the users of the financial statements.

6. ECONOMIC DEPENDENCE

La Salle Redboine Conservation District receives at least 60% of its operating revenue from the Provincial Government and is economically dependent on it.

7. MUNICIPAL GRANTS

Grants received from local government involvement in the conservation district were the following:

	2008	2007
RM of Portage la Prairie	20,451	18,933
RM of Macdonald	18,693	16,154
RM of Dufferin	10,963	8,390
City of Portage la Prairie	9,603	8,921
RM of Cartier	$ 8,138	$ 7,714
RM of Grey	7,262	6,574
RM of South Norfolk	5,522	3,922
RM of Victoria	4,341	3,015
Town of Carman	1,963	1,799
RM of Ritchot	1,599	1,364
Town of Treherne	269	268
Village of St. Claude	179	178
	$ 88,983	$ 77,232

8. FINANCIAL INSTRUMENTS

Financial instruments of the organization consist of cash, accounts receivable, provincial grant receivable, bank indebtedness, accounts payable and provincial grant payable. The carrying values of these financial assets and liabilities approximate their fair values due to their short term maturity or capacity for prompt liquidation.

Price risk management

The organization is exposed to currency risk, interest rate risk, and market risk. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The organization does not currently conduct transactions in or hold any foreign currency. Interest rate risk is the risk that the value of a financial instrument will change due to changes in market interest rates. The organization does not currently have any outstanding loans due or any liabilities bearing interest. Finally, market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuers or factors affecting all instruments traded in the market.

Credit risk management

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The organization is currently not in any position where related parties are involved or any other such instances where they are exposed to credit risk.

Liquidity risk management

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. At this time, the organization has more than adequate current assets to cover its current liabilities, therefore liquidity risk is minimal.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. Given the organization's financial instruments are primarily short term in nature, cash flow risk is low.

9. DEFERRED CONTRIBUTIONS

In 2003, the land and building presently occupied by the Organization were donated by the Rural Municipality of Victoria. The fair market value of the land and building was $2,300 and $28,900 respectively. Since the building is a capital asset on which amortization is being recorded, the fair market value has been recorded as a deferred contribution, and the recognition of the value of this donation will occur annually as amortization is recorded on the building over its estimated useful life.

In 2004, the Organization purchased specialized equipment, of which $40,246 was funded by the Manitoba Water Services Board. Since this equipment is a capital asset of which amortization is being recorded, the amount funded has been recorded as a deferred contribution, and the recognition of the value of this donation will occur annually as amortization is recorded on the equipment over its estimated useful life.

The Province of Manitoba funds 75% of the purchase of property, plant, and equipment (not including external funding). In 2006, $5,244 was recoverable from the Province for property, plant, and equipment additions. This Provincial funding has also been reflected in the deferred contribution amount.

The change in the deferred contributions balance for the year is as follows:

	2008	2007
Balance, beginning of year	**$ 142,211**	$ 166,486
Less: Amortization charged to revenue in the year	**24,275**	24,275
Balance, end of year	**$ 117,936**	$ 142,211

10. PUBLIC SECTOR COMPENSATION DISCLOSURE ACT - BILL 57

a) Compensation paid to the board members amounted to $0
b) There were no members of the board receiving compensation in excess of $50,000 individually
c) There were no board members or employees receiving compensation at reportable levels

LASALLE REDBOINE CONSERVATION DISTRICT

SCHEDULE 1 - SCHEDULE OF EXPENSES

For the year ended March 31, 2008

	2008	2007
Advertising and promotion	$ 4,813	$ 323
Amortization	37,250	46,885
Bank charges and interest	319	399
Water/sewer	256	1,971
Insurance	628	2,397
Memberships dues and subscriptions	894	894
Miscellaneous		244
Office and supplies	8,857	8,337
Pension	(112)	
Project expenses - abandoned well sealing	9,973	15,084
- constructed wetland		17,568
- grassed runway	123,557	35,133
- gully erosion	12,985	19,572
- municipal erosion control	995	10,921
- pasture pipeline plow	4,039	466
- public education	4,257	8,634
- rotational grazing	2,429	1,692
- salinity seed	636	929
- sediment barrier	14,894	1,865
- sensitive soils	6,837	7,336
- shelterbelt program	1,460	5,733
- tree clean up	11,144	12,602
- watershed planning	200,165	156,847
- water retention	9,134	16,680
- wildlife	174	370
Project supplies	50	
Property taxes	8,217	
Repairs and maintenance	442	336
Casual Labour	20	
Salaries and benefits	23,326	27,135
Telephone	4,031	4,051
Utilities	3,601	2,739
Water management - Boyne River Riparian Assessment	7,970	32,478
- La Salle River Riparian Assessment	27	9,820
- water testing	4,530	10,940
Wetland development trails	2,635	1,853
	$ 510,433	$ 462,234

LASALLE REDBOINE CONSERVATION DISTRICT
SCHEDULE 2 - SCHEDULE OF PROVINCIAL GRANT RECEIVABLE
For the year ended March 31, 2008

	2008	2007
Grant - Province of Manitoba	$ 230,000	$ 225,000
Less: Prior year receivable	25,124	23,190
GRANT RECEIVED	204,876	201,810
Less: Provincial allocation	229,863	226,934
RECEIVABLE - PROVINCE OF MANITOBA	$ 24,987	$ 25,124

LA SALLE REDBOINE CONSERVATION DISTRICT

SCHEDULE 3 - SCHEDULE OF COST SHARING

For the year ended March 31, 2008

	Revised Budget	Total Expenditures	Provincial	District Levies	Other	External
ADMINISTRATION						
General	15,245	35,641	7,178	2,393		26,070
100% District	14,755	821		-20		841
Sub Total	**$ 30,000**	**$ 36,462**	**$ 7,178**	**$ 2,373**		**$ 26,911**
CAPITAL ASSETS						
Office / Field Supplies	10,000	31,146	23,367	7,779		
Office / Field Equipment		15,849	11,887	3,962		
Reserve Account		19,984		19,984		
Sub Total	**$ 10,000**	**$ 66,979**	**$ 35,254**	**$ 31,725**		
PUBLIC EDUCATION						
General	18,000	16,545	12,409	4,136		
Tours / Workshops	11,000	8,881	6,661	2,220		
MCDA	17,600	13,579	10,184	3,395		
Sub Total	**$ 46,600**	**$ 39,005**	**$ 29,254**	**$ 9,751**		
WATERSHED PLANNING						
Meeting Costs	3,000	3,297	2,473	824		
General	30,000	74,542	31,283	1,095		42,164
GIS Mapping		957	359	120	478	
Watershed Management Plans	45,000	64,864	48,648	16,216		
Sub Total	**$ 78,000**	**$ 143,660**	**$ 82,763**	**$ 18,255**	**$ 478**	**$ 42,164**
SOILS						
Shelterbelt/Buffer/Grazing	4,650	3,047	879	293	1,875	
Erosion Control	83,200	143,372	43,800	7,044	86,861	5,667
Salinity Seed	5,000	1,533	1,150	383		
LSR Tree Clean Up		2,213	339	113		1,761
SCSWMA Project Assessment	1,000					
Maintenance	4,000					
Sub Total	**$ 97,850**	**$ 150,165**	**$ 46,168**	**$ 7,833**	**$ 88,736**	**$ 7,428**
WILDLIFE / FISHERIES						
Project Support/Planning						
Wildlife Programs / Conservation						
Sub Total	**0**					
WATER						
Wells / Water Retention	55,000	22,083	17,460	1,038	1,504	2,081
Pasture / Livestock Managament	15,000	5,261	3,946	1,315		
Water Testing / Water Demo	13,000	4,718	2,167	722	1,829	
Drainage Mowing	34,000					
Boyne River Riparian Study		7,969	5,977	1,992		
Special Water Projects	3,000					
Maintenance	4,500					
Sub Total	**$ 124,500**	**$ 40,031**	**$ 29,550**	**$ 5,067**	**$ 3,333**	**$ 2,081**
OTHER						
Amortization						
Sub Total	**0**					
TOTAL EXPENDITURE	**$ 386,950**	**$ 476,302**	**$ 230,167**	**$ 75,004**	**$ 92,547**	**$ 78,584**

Appendix G

LAKE OF THE PRAIRIES CONSERVATION DISTRICT

FINANCIAL STATEMENTS

For the year ended March 31, 2008

LAKE OF THE PRAIRIES CONSERVATION DISTRICT
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AUDITORS' REPORT

To the Board of Directors:
Lake of the Prairies Conservation District
Inglis, Manitoba

We have audited the balance sheet of **Lake of the Prairies Conservation District** as at **March 31, 2008** and the statements of revenue, expenditure and surplus and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at **March 31, 2008** and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit opinion does not extend to the Schedule of Cost Sharing presented by the District.

Sensus

PARTNERSHIP OF
CHARTERED ACCOUNTANTS

Russell, Manitoba
May 15, 2008

LAKE OF THE PRAIRIES CONSERVATION DISTRICT
BALANCE SHEET
As at March 31, 2008

	2008	2007
ASSETS		
CURRENT		
Cash	$ 42,311	$ 3,730
Accounts receivable	44	21,724
GST receivable	3,675	991
Provincial grant receivable (Note 12)		6,497
	46,030	32,942
PROPERTY, PLANT AND EQUIPMENT (Notes 2 and 4)	120,807	106,263
PATRONAGE DIVIDENDS	774	596
	$ 167,611	$ 139,801
LIABILITIES		
CURRENT		
Bank indebtedness (Note 5)	$	$ 20,393
Accounts payable (Note 6)	1,521	1,522
Deferred revenue	14,721	5,155
Provincial grant payable (Note 12)	4,473	
	20,715	27,070
SURPLUS		
INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT (Notes 2 and 4)	120,807	106,263
SURPLUS	26,089	6,468
	146,896	112,731
	$ 167,611	$ 139,801

LAKE OF THE PRAIRIES CONSERVATION DISTRICT

STATEMENT OF REVENUE, EXPENDITURE AND SURPLUS

For the year ended March 31, 2008

	2008	2007
REVENUE		
Province of Manitoba grant (Note 12)	$ 139,030	$ 135,898
Municipal grants (Note 10)	46,338	45,330
External funding	63,787	60,151
Interest	1,863	1,233
Landowner contributions	450	
Miscellaneous income	232	
Dividend income	189	212
	251,889	242,824
EXPENDITURES		
Administration	25,911	22,544
Forestry	3,734	4,113
Management planning	54,049	78,943
Miscellaneous	7,012	2,626
Public education	50,152	41,968
Recreation / tourism		7,513
Soil programs	37,830	17,001
Water programs	37,135	42,883
Wildlife programs	1,901	7,665
	217,724	225,256
REVENUE OVER EXPENDITURES	34,165	17,568
OTHER ITEMS		
Gain on disposals of property, plant and equipment		2,218
Investment in property, plant and equipment	(14,544)	(16,091)
	(14,544)	(13,873)
NET INCOME FOR YEAR	19,621	3,695
SURPLUS, BEGINNING OF YEAR	6,468	2,773
SURPLUS, END OF YEAR	$ 26,089	$ 6,468

LAKE OF THE PRAIRIES CONSERVATION DISTRICT
STATEMENT OF CASH FLOWS
For the year ended March 31, 2008

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	$ 99,077	$ 44,067
Cash paid to suppliers and employees	(213,251)	(225,115)
Interest received	1,863	1,233
Dividends received	189	212
Grants received	185,818	181,228
	73,696	1,625
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(14,544)	(16,091)
Proceeds on disposal of property, plant and equipment		2,218
Change in other long-term assets	(178)	(192)
	(14,722)	(14,065)
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances on bank indebtedness		15,639
Repayment of bank indebtedness	(20,393)	
NET INCREASE IN CASH	38,581	3,199
CASH, BEGINNING OF YEAR	3,730	531
CASH, END OF YEAR	$ 42,311	$ 3,730

LAKE OF THE PRAIRIES CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended March 31, 2008

1. ENTITY DEFINITION

The Lake of the Prairies Conservation District No. 12 was formed January 1, 2001 to administer and develop programs for the effective management and conservation of the natural resources in the Rural Municipalities of Shellmouth-Boulton, Silver Creek, Shell River, and Russell, the Towns of Russell and Roblin, and the Village of Binscarth. Each member municipality appoints local representatives to create a district board. Approximately 75% of the district's annual budget comes from the province while member municipalities contribute 25% of the total in amounts based on their own assessments. The conservation district employs a full-time district manager and a full-time administrator as well as part-time work crews.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and includes the following significant accounting policies:

Property, plant and equipment

Property, plant and equipment are recorded at cost and are expensed in the year of acquisition or disposal. Property, plant and equipment are then subsequently recorded as an asset with the offset being the investment in property, plant and equipment. The organization is no longer recording amortization for property, plant and equipment as is appropriate for not for profit organizations of this size.

Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Risk management policies and hedging activities

Consistent with other small entities, management's risk management policies are typically performed as a part of the overall management of the entity's operations. Management is aware of risks related to these objectives through direct personal involvement with employees and outside parties. Management's close involvement in operations identifies risks and variations from expectations leading to changes in risk management activities and requirements and actions. Management has not entered into hedging transactions to manage risk. As a part of the overall management of the entity's operations management considers avoidance of undue concentration of risk, and may require collateral to mitigate credit risk.

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3. CHANGE IN ACCOUNTING POLICY

The organization adopted the provisions of Section 3855, Financial Instruments - Recognition and Measurement and Section 3861, Financial Instrument - Disclosure and Presentation on January 1, 2007, which address the classification, recognition, and measurement of the financial instruments in the financial statements. There has been no impact to the surplus of the organization as a result of adopting these standards.

4. PROPERTY, PLANT AND EQUIPMENT

	Balance, Beginning of Year	Additions	Disposals	Balance, End of Year
Office equipment	$ 12,569			$ 12,569
Computer equipment	12,453	5,190		17,643
Machinery	30,160	8,054		38,214
Truck	19,800			19,800
Land and buildings	31,281	1,300		32,581
	106,263	14,544		120,807
BOOK VALUE	$ 106,263			$ 120,807

5. BANK INDEBTEDNESS

	2008	2007
Bank overdraft	$	$ 20,393

There is no authorized line of credit. The overdraft has resulted from recorded outstanding cheques which were covered by deposits made subsequent to the year end.

6. ACCOUNTS PAYABLE

	2008	2007
Accrued auditing fees	$ 1,521	$ 1,522

7. PRIOR YEAR'S FIGURES

The prior year's figures have been reclassified to conform to current year's presentation.

8. ECONOMIC DEPENDENCE

Lake of the Prairies Conservation District receives at least 60% of its operating revenue from the Provincial Government and is economically dependent on it.

9. INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT

The property, plant and equipment expenditures are accounted for on the balance sheet with an offsetting entry to the Investment in Property, Plant and Equipment account.

10. MUNICIPAL GRANTS

Grants received from local government involvement in the conservation district were the following:

	2008	2007
R.M. of Shellmouth-Boulton	**$ 15,185**	$ 13,720
R.M. of Silver Creek	**9,076**	8,195
R.M. of Russell	**8,632**	7,794
Town of Russell	**3,519**	3,177
Village of Binscarth	**308**	278
RM of Shell River	**15,208**	11,843
RM of Park North		1,888
Town of Roblin	**3,976**	3,590
	$ 55,904	$ 50,485
Less deferred portion of municipal levies	**9,566**	5,155
	$ 46,338	$ 45,330

11. FINANCIAL INSTRUMENTS

Financial instruments of the organization consist of cash, accounts receivable, provincial grant receivable, bank indebtedness, accounts payable and provincial grant payable. The carrying values of these financial assets and liabilities approximate their fair values due to their short term maturity or capacity for prompt liquidation.

Price risk management

The organization is exposed to currency risk, interest rate risk, and market risk. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The organization does not currently conduct transactions in or hold any foreign currency. Interest rate risk is the risk that the value of a financial instrument will change due to changes in market interest rates. The organization does not currently have any outstanding loans due or any liabilities bearing interest. Finally, market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuers or factors affecting all instruments traded in the market. The organization is not exposed to market risk because it has no financial instruments directly tied to market rates.

Credit risk management

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The organization is currently not in any position where related parties are involved or any other such instances where they are exposed to credit risk.

11. FINANCIAL INSTRUMENTS (Continued)

Liquidity risk management

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. At this time, the organization has more than adequate current assets to cover its current liabilities, therefore liquidity risk is minimal.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. Given the organization's financial instruments are primarily short term in nature, cash flow risk is low.

12. PROVINCIAL GRANT RECEIVABLE/PAYABLE

	2008	2007
BALANCE, BEGINNING OF YEAR	**$ 6,497**	$ 6,599
Add: Provincial allocation of expenses for year	**139,030**	135,898
	145,527	142,497
Less: Grant received	**150,000**	136,000
BALANCE, END OF YEAR	**$ (4,473)**	$ 6,497

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LAKE OF THE PRAIRIES CONSERVATION DISTRICT

SCHEDULE 1 - SCHEDULE OF COST SHARING

For the year ended March 31, 2008

	Cost Share %			Total			District
	Prov.	Levy	Other	Expenditures	Provincial	Levies	Other External
MANAGEMENT PLANNING							
Monthly board planning - staff	75%	25%	0%	16,610	12,458	4,152	
Integrated watershed management plan	53%	18%	30%	8,725	4,601	1,534	2,590
Sub/District meetings	75%	25%	0%	1,979	1,484	495	
Strategic planning	75%	25%	0%	12,895	9,671	3,224	
EAEP	1%	0%	99%	13,840	95	32	13,713
				54,049	**28,309**	**9,437**	**16,303**
ADMINISTRATION							
Office operation	53%	18%	29%	25,911	13,708	4,569	7,634
				25,911	**13,708**	**4,569**	**7,634**
CAPITAL PURCHASES							
Computer equipment	75%	25%	0%	5,190	3,893	1,297	
Machinery	75%	25%	0%	8,054	6,041	2,013	
Land and buildings	75%	25%	0%	1,300	975	325	
				14,544	**10,909**	**3,635**	
PUBLIC EDUCATION							
Public education	75%	25%	0%	10,124	7,593	2,531	
Eco-Camp & wetlands classroom	75%	25%	0%	1,793	1,345	448	
Recreational shoreline stewardship	75%	25%	0%	1,098	823	275	
Advertising	75%	25%	0%	1,121	841	280	
Sub-district 91 public awareness campaign	75%	25%	0%	377	283	94	
Newsletters/Website	75%	25%	0%	3,733	2,800	933	
Professional development	75%	25%	0%	3,220	2,415	805	
Display - promotional items	75%	25%	0%	2,622	1,966	656	
LPCD & MCDA tours	55%	18%	27%	16,695	9,146	3,049	4,500
Meetings/conventions/banquets	75%	25%	0%	9,369	7,027	2,342	
				50,152	**34,239**	**11,413**	**4,500**
WILDLIFE/FISHERIES							
Beaver management	75%	25%	0%	300	225	75	
Wetlands interpretive marsh boardwalk	52%	17%	31%	1,601	826	275	500
				1,901	**1,051**	**350**	**500**
FORESTRY							
Woodlot management	10%	3%	87%	2,326	229	76	2,021
Community reforestation initiative	42%	14%	44%	1,408	589	196	623
				3,734	**818**	**272**	**2,644**
Balance to carry forward				**150,291**	**89,034**	**29,676**	**31,581**

LAKE OF THE PRAIRIES CONSERVATION DISTRICT
SCHEDULE 1 - SCHEDULE OF COST SHARING
For the year ended March 31, 2008

Balance to carry forward				**150,291**	**89,034**	**29,676**	**31,581**
SOILS							
Forage reimbursement	75%	25%	0%	6,268	4,701	1,567	
Salinity barriers	24%	8%	68%	1,317	313	104	900
Winter cereals	75%	25%	0%	2,989	2,242	747	
Grassed waterways	75%	25%	0%	192	144	48	
Zero till incentives	75%	25%	0%	2,933	2,200	733	
Shoreline & streambank stabilization	30%	10%	60%	5,110	1,520	507	3,083
Silver Creek Bank Stabilization	75%	25%	0%	5,222	3,916	1,306	
Erosion control initiatives	75%	25%	0%	366	275	91	
CNG short term rotational forage	12%	4%	84%	3,801	443	148	3,210
CNG variable rate fertilizer project	7%	2%	91%	5,521	391	130	5,000
Funk's ditch erosion control project	75%	25%	0%	4,111	3,083	1,028	
				37,830	**19,228**	**6,409**	**12,193**
WATER							
Alternate watering & distribution systems	75%	25%	0%	16,718	12,538	4,180	
Riparian stewardship program	75%	25%	0%	7,155	5,367	1,788	
Shellmouth dam liaison	75%	25%	0%	294	220	74	
Inter-provincial water issues	75%	25%	0%	1,216	912	304	
Water quality management	75%	25%	0%	1,017	763	254	
Sub District 92C Thunder Creek project	75%	25%	0%	454	341	113	
Surface Water Quality Sampling	75%	25%	0%	1,049	787	262	
Abandoned well sealing	75%	25%	0%	3,690	2,768	922	
Spear Lake nutrient loading study	7%	2%	90%	2,362	177	59	2,126
Off-site solar powered water system trials	75%	25%	0%	2,650	1,988	662	
Pasture pipeline plow rental	75%	25%	0%	530	398	132	
				37,135	**26,259**	**8,750**	**2,126**
MISCELLANEOUS							
Buildng insurance	75%	25%	0%	3,531	2,648	883	
Building maintenance	53%	18%	29%	3,481	1,861	620	1,000
				7,012	**4,509**	**1,503**	**1,000**
TOTAL EXPENDITURES				**232,268**	**139,030**	**46,338**	**46,900**

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT

FINANCIAL STATEMENTS

For the year ended March 31, 2008

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LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT
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AUDITORS' REPORT

To the Board of Directors:
Little Saskatchewan River Conservation District
Oak River, Manitoba

We have audited the balance sheet of **Little Saskatchewan River Conservation District** as at **March 31, 2008** and the statements of revenue, expenditure and surplus and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2008 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit opinion does not extend to the Schedule of Cost Sharing presented by the District.

PARTNERSHIP OF
CHARTERED ACCOUNTANTS

Brandon, Manitoba
May 27, 2008

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT
BALANCE SHEET
As at March 31, 2008

	2008	2007
ASSETS		
CURRENT		
Cash	$ 26,252	$ 19,238
Accounts receivable	25,554	46,664
Provincial grant receivable (Note 11)	522	1,125
GST receivable	3,321	5,047
Inventories (Note 2)	2,801	2,964
Prepaid expenses		2,033
	58,450	77,071
PROPERTY, PLANT AND EQUIPMENT (Notes 2 and 3)	227,611	94,085
	$ 286,061	$ 171,156
LIABILITIES		
CURRENT		
Bank indebtedness	$	$ 33,810
Accounts payable (Note 4)	12,252	4,984
Unearned revenue (Note 2)	23,147	35,951
Current portion of long-term debt	5,897	
	41,296	74,745
LONG-TERM DEBT (Note 5)	119,185	
	160,481	74,745
SURPLUS		
INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT (Note 8)	102,529	94,085
SURPLUS (DEFICIT)	23,051	2,326
	125,580	96,411
	$ 286,061	$ 171,156

Approved On Behalf Of The Board

Chair

Vice-Chair

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT

STATEMENT OF REVENUES AND DEFICIT

For the year ended March 31, 2008

	2008	2007
REVENUE		
Grants		
Province of Manitoba (Note 11)	$ 179,398	$ 170,997
External funding	47,962	64,432
Ducks Unlimited	27,284	35,000
Provincial government grants	1,812	1,361
Municipal levies (Note 7)	65,619	59,198
Land owner contributions	19,293	28,107
ALUS project	50,056	51,276
Miscellaneous	1,145	605
Interest	811	973
	393,380	411,949
EXPENSES, per Schedule 1	372,655	398,684
NET INCOME FOR YEAR	20,725	13,265
SURPLUS (DEFICIT), BEGINNING OF YEAR	2,326	(10,939)
SURPLUS, END OF YEAR	$ 23,051	$ 2,326

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT

STATEMENT OF CASH FLOWS

For the year ended March 31, 2008

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	$ 82,941	$ 55,159
Cash paid to suppliers and employees	(362,956)	(392,313)
Interest received	811	973
Grants received	320,263	329,629
Interest paid	(236)	(183)
	40,823	(6,735)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(133,526)	(30,333)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of bank indebtedness	(33,810)	(1,015)
Advances on long-term debt	126,550	
Repayment of long-term debt	(1,468)	
Change in property, plant and equipment	8,445	30,333
	99,717	29,318
NET INCREASE (DECREASE) IN CASH	7,014	(7,750)
CASH, BEGINNING OF YEAR	19,238	26,988
CASH, END OF YEAR	$ 26,252	$ 19,238

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended March 31, 2008

1. ENTITY DEFINITION

Little Saskatchewan River Conservation District was established by an Order-in-Council of the Province of Manitoba on January 1, 1999. The District receives funding from the Province of Manitoba and certain municipalities and is governed by a board of directors from the various municipalities involved in the Conservation District. The District is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and includes the following significant accounting policies:

Inventories

Inventory is valued at the lower of cost and net realizable value determined by the first-in, first-out method.

Property, plant and equipment

Property, plant and equipment are recorded at cost and are expensed in the year of acquisition or disposal. Property, plant and equipment are then subsequently recorded as an asset with the offset being the investment in property, plant and equipment. The organization is no longer recording amortization for property, plant and equipment as is appropriate for not for profit organizations of this size.

Unearned revenue

Unearned revenue is the portion of fees received prior to year end which relates to programs and services to be delivered after year end.

Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Risk management policies and hedging activities

Consistent with other small entities, management's risk management policies are typically performed as a part of the overall management of the entity's operations. Management is aware of risks related to these objectives through direct personal involvement with employees and outside parties. Management's close involvement in operations identifies risks and variations from expectations leading to changes in risk management activities and requirements and actions. Management has not entered into hedging transactions to manage risk. As a part of the overall management of the entity's operations management considers avoidance of undue concentration of risk, and may require collateral to mitigate credit risk.

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended March 31, 2008

3. PROPERTY, PLANT AND EQUIPMENT

	Balance, Beginning of Year	Additions	Disposals	Balance, End of Year
Building	$	126,550		$ 126,550
Ford F250 Diesel	25,900			25,900
Laser level	10,187			10,187
Office equipment	11,051	6,976		18,027
Pipeline plow	6,194			6,194
Seed drill	22,550			22,550
Utility trailer	3,324			3,324
Water pumps	1,924			1,924
Vehicle	20,384			20,384
Furniture	5,573			5,573
Computer	37,177			37,177
	144,264	133,526		277,790
ACCUMULATED AMORTIZATION				
Building	15,540			15,540
Ford F250 Diesel	24,824			24,824
Office equipment	1,146			1,146
Seed drill	8,669			8,669
	50,179			50,179
NET BOOK VALUE	$ 94,085			$ 227,611

4. ACCOUNTS PAYABLE

	2008	2007
Accrued accounting	$ 2,107	$ 1,996
Trade	10,145	2,988
	$ 12,252	$ 4,984

5. LONG-TERM DEBT

	2008	2007
Blanshard Community Development Corporation - mortgage with monthly payments of $568 per month with an interest rate of 0.75%. Matures May 2028. Secured by building and land.	$ 125,082	$
	125,082	
Current portion	5,897	
	$ 119,185	$

Principal payments due in the next five years are as follows:

2009	$ 5,897
2010	5,941
2011	5,985
2012	6,031
2013	6,076
Subsequent	95,152
	$ 125,082

6. ECONOMIC DEPENDENCE

Little Saskatchewan River Conservation District receives at least 40% of its operating revenue from the Province of Manitoba and is economically dependent on it.

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7. MUNICIPAL GRANTS

Grants received from local government involvement in the conservation district were the following:

	2008	2007
Rural Municipality of Park	$ 8,788	$ 7,601
Rural Municipality of Blanshard	8,504	8,174
Rural Municipality of Daly	8,492	7,969
Rural Municipality of Saskatchewan	8,118	7,742
Rural Municipality of Strathclair	7,507	6,780
Rural Municipality of Harrison	7,471	5,945
Rural Municipality of Clanwilliam	4,832	3,244
Rural Municipality of Minto	3,977	3,894
Rural Municipality of Odanah	1,630	1,646
Rural Municipality of Rosedale	30	27
Town of Minnedosa	4,315	4,222
Town of Rivers	1,411	1,411
Town of Erickson	347	347
Town of Rapid City	197	196
	$ 65,619	$ 59,198

8. INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT

The property, plant and equipment expenditures are accounted for on the balance sheet with an offsetting entry to the Investment in Property, Plant and Equipment account.

9. FINANCIAL INSTRUMENTS

Financial instruments of the organization consist of cash, accounts receivable, provincial grant receivable, bank indebtedness, accounts payable and provincial grant payable. The carrying values of these financial assets and liabilities approximate their fair values due to their short term maturity or capacity for prompt liquidation.

Price risk management

The organization is exposed to currency risk, interest rate risk, and market risk. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The organization does not currently conduct transactions in or hold any foreign currency. Interest rate risk is the risk that the value of a financial instrument will change due to changes in market interest rates. The organization does not currently have any outstanding loans due or any liabilities bearing interest. Finally, market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuers or factors affecting all instruments traded in the market. The organization is not exposed to market risk because it has no financial instruments directly tied to market rates.

Credit risk management

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The organization is currently not in any position where related parties are involved or any other such instances where they are exposed to credit risk.

Liquidity risk management

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. At this time, the organization has more than adequate current assets to cover its current liabilities, therefore liquidity risk is minimal.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. Given the organization's financial instruments are primarily short term in nature, cash flow risk is low.

10. PUBLIC SECTOR COMPENSATION DISCLOSURE ACE - BILL 57

a) Compensation paid to the board members amounted to $29,400
b) There were no members of the board receiving compensation in excess of $50,000 individually
c) There were no board members or employees receiving compensation at reportable levels

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11. PROVINCIAL GRANT RECEIVABLE/PAYABLE

		2008		2007
Grant - Province of Manitoba	$	180,000	$	170,000
Less: Prior year receivable		1,125		128
GRANT RECEIVED		178,875		169,872
Less: Provincial allocation		178,353		170,997
RECEIVABLE - PROVINCE OF MANITOBA	$	522	$	1,125

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT

SCHEDULE 1 - SCHEDULE OF EXPENSES

For the year ended March 31, 2008

	2008	2007
Accounting	$ 2,385	$ 2,044
Advertising	735	5,936
Bad debts expense		50
Board remuneration	29,400	29,804
Computer software	3,938	1,516
Heat, light and power	2,656	2,072
Insurance	2,129	2,034
Interest and bank charges		183
Interest on long term debt	236	
MCDA dues	3,000	3,000
Miscellaneous	173	184
Newsletters	2,064	
Office	16,668	46,719
Public education	17,187	26,423
Rent	1,800	2,400
Repairs and maintenance	6,524	6,373
Salaries	157,017	121,436
Sawmill incentive	3,768	
Small dams		523
Soil programs	39,047	49,055
Sub-district programs (Schedule 2)	54,906	62,979
Telephone	7,224	5,734
Training	800	1,429
Travel	69	261
Vehicle expense	2,808	2,807
Water programs	17,962	25,472
Well capping	159	250
	$ 372,655	$ 398,684

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT

SCHEDULE OF COST SHARING

FOR THE MONTH ENDED March 31st, 2007

	Revised 2006/07 Total Budget	Total Expenditures	Total Provincial	Total District	Other	External	%
ADMINISTRATION							
Office Operation	30,170.00	37,237.15	26,649.86	7,757.21	1,126.08	1,704.00	
	30,170.00	**37,237.15**	**26,649.86**	**7,757.21**	**1,126.08**	**1,704.00**	9.99
ASSETS							
Computer Equipment	500.00					-	
Office Furniture	-				-	-	
Equipment					-	-	
	500.00	-	-	-	-	-	0.00
WATERSHED PLAN							
District Resource Plan	22,650.00	26,566.29	18,565.44	6,188.48	-	1,812.38	
	22,650.00	**26,566.29**	**18,565.44**	**6,188.48**	-	**1,812.38**	7.13
PUBLIC EDUCATION							
Educational Programs	5,447.77	8,875.34	6,268.74	2,089.58	-	517.02	
Tours & Workshops	4,466.39	3,561.54	2,671.16	890.39	-	-	
Advertising	17,592.34	11,118.49	7,951.10	2,425.78	224.58	517.02	
Communications	43,715.58	39,124.77	29,343.58	9,015.96	765.23	-	-
	71,222.08	**62,680.14**	**46,234.58**	**14,421.71**	**989.81**	**1,034.04**	16.82
SOILS							
Hay Assistance	50,288.61	51,222.00	17,953.50	5,984.50	-	27,284.00	
Pasture Improvement	13,826.95	7,676.29	5,757.21	1,919.07	-		
Drill Lease	9,305.44	7,684.72	4,881.34		2,427.50	375.88	
Alternate Land Use Strategy	54,197.28	49,063.75	-	(991.71)	26,962.40	23,093.10	
EAEP	44,715.56	50,055.81	8,595.00	2,850.00	15.00	38,595.81	
	172,333.84	**165,702.57**	**37,187.05**	**9,761.86**	**29,404.90**	**89,348.79**	44.47
WILDLIFE/FISHERIES							
Beaver Management	21,456.08	15,323.08	6,311.96		4,869.17	4,141.95	
	21,456.08	**15,323.08**	**6,311.96**	-	**4,869.17**	**4,141.95**	4.11
FORESTRY							
Woodlots for Healthy Watershed	6,861.48	8,195.76	3,667.70	1,222.57	-	3,305.49	
	6,861.48	**8,195.76**	**3,667.70**	**1,222.57**	-	**3,305.49**	2.20
WATER							
Erosion Control	15,837.08	8,110.91	6,083.18	1,506.48	521.25	-	
Abandoned Wells	14,532.77	14,217.45	10,663.09	1,801.04	1,753.32	-	
Surveying	639.13	364.37	273.27	91.09	-	-	
Offsite Watering System	6,237.08	5,909.70	3,972.84	1,124.28	200.00	612.60	
Pasture Pipeline	18,215.17	14,950.01	10,446.62		4,503.39		
Water Quality Testing	8,837.08	11,940.47	7,204.32		4,736.15	-	
Warranty	3,556.56	1,457.46	1,093.10	364.36		-	
	67,854.87	**56,950.37**	**39,736.42**	**4,887.25**	**11,714.11**	**612.60**	15.28
TOTAL EXPENDITURES	**393,048.35**	**372,655.36**	**178,353.01**	**44,239.08**	**48,104.07**	**101,959.25**	100.00

SCHEDULE OF PROVINCIAL GRANT RECEIVABLE/PAYABLE

Less, 2005-2006 Provincial Grant Receivable	1,124.53
PROVINCIAL GRANT, 2006-2007	180,000.00
	178,875.47
Less, 2006/2007 Allocated Grant (spent)	178,353.01
PROVINCIAL GRANT REMAINING/OVERSPENT	522.46
NOTE: TOTAL 2006 MUNICIPAL LEVY COLLECTED	65,819.24

Appendix I

MID ASSINIBOINE RIVER CONSERVATION DISTRICT NO.15
FINANCIAL STATEMENTS

For the 17 months ended August 31, 2008

MID ASSINIBOINE RIVER CONSERVATION DISTRICT NO.15
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AUDITORS' REPORT

To the Board of Directors:
Mid Assiniboine River Conservation District No.15
Alexander, Manitoba

We have audited the statement of financial position of **Mid Assiniboine River Conservation District No.15** as at **August 31, 2008** and the statements of revenue, expenditure and surplus (deficit) and cash flows for the period then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at **August 31, 2008** and the results of its operations and cash flows for the period then ended in accordance with Canadian generally accepted accounting principles.

Our audit opinion does not extend to the Schedules of Cost Sharing and Provincial Grant Contributions presented by the District.

Sensus

PARTNERSHIP OF
CHARTERED ACCOUNTANTS

Brandon, Manitoba
September 22, 2008

MID ASSINIBOINE RIVER CONSERVATION DISTRICT NO.15
STATEMENT OF FINANCIAL POSITION
As at August 31, 2008

	2008	March 31, 2007
ASSETS		
CURRENT		
Cash	$ 7,320	$ 30
Accounts receivable (Note 2)	132	1,474
Provincial grant receivable (Schedule 3)		11,084
Inventories (Note 2)		288
Prepaid expenses		1,239
	7,452	14,115
PROPERTY, PLANT AND EQUIPMENT (Notes 2 and 3)		37,500
	$ 7,452	$ 51,615
LIABILITIES		
CURRENT		
Bank indebtedness (Note 4)	$	$ 19,872
Accounts payable		38
		19,910
SURPLUS		
INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT (Note 6)		37,500
SURPLUS (DEFICIT)	7,452	(5,795)
	7,452	31,705
	$ 7,452	$ 51,615

Approved on Behalf of the Board:

Director

Director

MID ASSINIBOINE RIVER CONSERVATION DISTRICT NO.15

STATEMENT OF OPERATIONS AND SURPLUS (DEFICIT)

For the 17 months ended August 31, 2008

	2008	12 months 2007
REVENUE		
Grant - Province of Manitoba	$ 103,916	$ 120,629
Municipal grants (Note 7)	34,875	34,875
Zero till drill revenue	26,000	3,914
Manitoba Habitat Heritage Corp	25,195	
Hometown Greenteam		2,271
Miscellaneous income	515	378
	190,501	162,067
EXPENDITURES		
Advertising	1,639	1,276
Bad debts expense	190	
Board expenses	4,909	6,387
Board programs	4,590	91
Board remuneration	8,580	11,650
Computer softwares	508	2,160
Contribution to capital		17,300
Employee benefits	9,450	9,903
Equipment expenses		5,816
Freight	532	217
Insurance	817	2,190
Interest and bank charges	199	54
Meeting and conventions	3,680	5,324
Miscellaneous	331	238
Office	4,228	2,994
Professional fees	12,076	1,664
Rent	1,100	1,300
SDIF Fund repayment	1,543	
Salaries and benefits	61,669	62,830
School education and projects	785	
Staff travel and expenses	8,008	6,279
Sub-district programs - Schedule 1	53,892	26,802
Telephone	2,936	2,458
	181,662	166,933
INCOME (LOSS)	8,839	(4,866)
OTHER ITEM		
Gain on disposals of property, plant, & equipment	4,408	
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES FOR YEAR	13,247	(4,866)
SURPLUS (DEFICIT), BEGINNING OF YEAR	(5,795)	(929)
SURPLUS, END OF YEAR	$ 7,452	$ (5,795)

MID ASSINIBOINE RIVER CONSERVATION DISTRICT NO.15

STATEMENT OF CASH FLOWS

For the 17 months ended August 31, 2008

	2008	March 31, 2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	$ 71,455	$ (2,815)
Cash paid to suppliers and employees	(179,973)	(148,806)
Grants received	138,791	155,504
Interest paid	(199)	(54)
	30,074	3,829
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment		(17,300)
Proceeds on disposal of property, plant and equipment	4,408	
	4,408	(17,300)
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances on bank indebtedness		13,413
Repayment of bank indebtedness	(27,192)	
	(27,192)	13,413
NET INCREASE (DECREASE) IN CASH	7,290	(58)
CASH, BEGINNING OF YEAR	30	88
CASH, END OF YEAR	$ 7,320	$ 30

MID ASSINIBOINE RIVER CONSERVATION DISTRICT NO.15

NOTES TO FINANCIAL STATEMENTS

For the 17 months ended August 31, 2008

1. ENTITY DEFINITION

The Mid Assiniboine River Conservation District No.15 was established in January 2002 and formalized in March 1, 2002 under the Conservation District Act. The purpose of establishing Mid Assiniboine River Conservation District was to provide control and prudent use of resources in the Municipalities of Whitehead, Elton, and Cornwallis. The district is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The following are considered to be the more significant policies:

Accounts receivable

Accounts receivable have been determined to be all collectible; therefore, no allowance for doubtful accounts has been made.

Inventories

Inventory is valued at the lower of cost and net realizable value determined on the first-in, first-out method.

Property, plant and equipment

Property, plant and equipment are recorded at cost. The organization is no longer recording amortization for property, plant and equipment as is appropriate for conservation districts in the Province of Manitoba.

Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Risk management policies and hedging activities

Consistent with other small entities, management's risk management policies are typically performed as a part of the overall management of the entity's operations. Management is aware of risks related to these objectives through direct personal involvement with employees and outside parties. Management's close involvement in operations identifies risks and variations from expectations leading to changes in risk management activities and requirements and actions. Management has not entered into hedging transactions to manage risk. As a part of the overall management of the entity's operations management considers avoidance of undue concentration of risk, and may require collateral to mitigate credit risk.

3. PROPERTY, PLANT AND EQUIPMENT

	Balance, Beginning of Period	Additions	Disposals	Balance, End of Period
Office furniture	$ 5,650		5,650	$
Computer equipment	8,540		8,540	
Equipment	33,949		33,949	
	48,139		48,139	
ACCUMULATED AMORTIZATION				
Office furniture	4,857		4,857	
Computer equipment	1,112		1,112	
Equipment	4,670		4,670	
	10,639		10,639	
NET BOOK VALUE	$ 37,500			$

4. BANK INDEBTEDNESS

	2008	2007
Line of credit	$	$ 19,872

The organization has an authorized line of credit with the Westoba Credit Union of $25,000. The line bears interest at a rate of prime plus 1%. The prime rate of interest at August 31, 2008 was 4.75%.

5. ECONOMIC DEPENDENCE

Mid Assiniboine River Conservation District receives at least 70% of its operating revenue from the Province of Manitoba and is economically dependent on it.

6. INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT

The property, plant and equipment expenditures are accounted for on the statement of financial position with an offsetting entry to the Investment in Property, Plant and Equipment account.

	2008	March 31, 2007
BALANCE, BEGINNING OF YEAR	$ 37,500	$ 20,200
Add: Property, plant and equipment purchases		17,300
Less: Property, plant and equipment disposals	(37,500)	
BALANCE, END OF YEAR		37,500

7. MUNICIPAL GRANTS

Grants received from local governments involved in the conservation district are the following:

	2008	March 31, 2007
R.M. of Whitehead	$ 10,935	$ 10,935
R.M. of Elton	12,470	12,470
R.M. of Cornwallis	11,470	11,470
	$ 34,875	$ 34,875

8. REGISTERED CHARITY

Mid Assiniboine River Conservation District is a registered charity able to issue charitable donation receipts. There is no change to the GST method of reporting and the rebate allowed still falls under municipal government at 100%.

9. FINANCIAL INSTRUMENTS

Financial instruments of the organization consist of cash, accounts receivable, provincial grant receivable, bank indebtedness, accounts payable and provincial grant payable. The carrying values of these financial assets and liabilities approximate their fair values due to their short term maturity or capacity for prompt liquidation.

Price risk management

The organization is exposed to currency risk, interest rate risk, and market risk. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The organization does not currently conduct transactions in or hold any foreign currency. Interest rate risk is the risk that the value of a financial instrument will change due to changes in market interest rates. The organization does not currently have any outstanding loans due or any liabilities bearing interest. Finally, market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuers or factors affecting all instruments traded, in the market. The organization is not exposed to market risk because it has no financial instruments directly tied to market rates.

Credit risk management

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The organization is currently not in any position where related parties are involved or any other such instances where they are exposed to credit risk.

Liquidity risk management

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. At this time, the organization has more than adequate current assets to cover its current liabilities, therefore liquidity risk is minimal.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. Given the organization's financial instruments are primarily short term in nature, cash flow risk is low.

10. PUBLIC SECTOR COMPENSATION DISCLOSURE ACT - BILL 57

a) Compensation paid to the board members amounted to $14,857
b) There were no members of the board receiving compensation in excess of $50,000 individually
c) There were no board members or employees receiving compensation at reportable levels

11. OTHER

As of August 31, 2008, Mid Assiniboine Conservation District has been wound down and the residual assets are to be distributed back to the province and the participating municipalities.

MID ASSINIBOINE RIVER CONSERVATION DISTRICT NO.15

SCHEDULE 1 - SCHEDULE OF EXPENDITURE - SUB-DISTRICT PROGRAMS

For the 17 months ended August 31, 2008

	2008	2007
LITTLE SOURIS SUB-DISTRICT 98A		
Forage seed	$ 900	$
Water development		10,000
Abandoned wells		700
Salinity seed		
Winter cereal program	2,000	
Grassed waterway program		300
Projects	21,661	
	24,561	11,000
LITTLE SOURIS SUB-DISTRICT 98B		
Forage Seed	$ 1,650	$
Water development	15,000	1,470
Abandoned wells		2,450
Rotational grazing	1,000	935
Salinity seed		759
Winter cereal program	196	500
Grassed waterway program	500	
Green manure program	400	
Mixed species grazing	1,125	1,125
Water licencing	25	25
BMP top up		2,000
	19,896	9,264
EPNETTE/WILLOW CREEK SUB-DISTRICT 99A		
Forage seed	$ 500	$ 1,500
Water development	1,000	
Shelterbelt program		1,059
Abandoned wells		700
Rotational grazing program		479
BMP top up		2,000
Winter cereal program	1,000	
Green manure program		800
Projects	6,935	
	9,435	6,538
	$ 53,892	$ 26,802

MID ASSINIBOINE RIVER CONSERVATION DISTRICT NO.15

SCHEDULE 2 - SCHEDULE OF COST SHARING

For the 17 months ended August 31, 2008

		Total Expenditures	Provincial	Levies	Other	External
ADMINISTRATION						
Program support		8,935	6,701	2,234		
Office operation		29,182	21,887	7,295		
	Sub total	**38,117**	**28,588**	**9,529**	**0**	**0**
ASSETS						
Program support/planning		3,403	2,552	851		
Equipment		533	400		133	
Computer Software		508	381	127		
	Sub total	**4,444**	**3,333**	**978**	**133**	**0**
DRAIN INFRASTRUCTURE						
Project support planning		**1,051**	788	263		
Licence reviews		**25**	19	6		
	Sub total	**1,076**	**807**	**269**	**0**	**0**
FORESTRY						
Project support/planning		**741**	556	185		
	Sub total	**741**	**556**	**185**	**0**	**0**
PUBLIC EDUCATION						
Project support/planning		**14,070**	10,553	3,517		
Advertsing & promotions		**401**	301	100		
Ag in the Class		**500**	375	125		
Board remuneration		**13,489**	10,117	3,372		
Convention		**590**	443	147		
MCDA fees and meetings		**3,090**	2,317	773		
Newletters		**1,238**	928	310		
School programs		**10**	7	3		
Web page		**369**	277	92		
Youth hunt		**331**	248	83		
	Sub total	**34,088**	**25,566**	**8,522**	**0**	**0**
SOILS						
Project support/planning		**13,298**	9,974	3,324		
Forage program		**3,050**	2,287	763		
Rotational grazing		**1,625**	1,219	406		
Public demo		**275**	206	69		
Grassed runway		**500**	375	125		
Green manure		**1,943**	1,457	486		
Saline seed program		**500**	375	125		
Winter Cereals		**3,196**	2,397	799		
	Sub total	**24,387**	**18,290**	**6,097**	**0**	**0**
WATER						
Project support/planning		**13,365**	10,024	3,341		
Water testing & abandoned well		**4,591**	3,443	1,148		
Water development		**16,000**	12,000	4,000		
	Sub total	**33,956**	**25,467**	**8,489**	**0**	**0**
WATERSHED PLANNING						
Program support/planning		**12,935**	9,401			3,534
99A Willow/Epinette Creek		**6,935**	5,201	1,734		
98A Assiniboine Corridor		**21,661**				21,661
	Sub total	**41,531**	**14,602**	**1,734**	**0**	**25,195**
WILDLIFE / FISHERIES						
Project Support / Planning		**3,322**	2,492	830		
	Sub total	**3,322**	**2,492**	**830**	**0**	**0**
TOTAL EXPENDITURES		**181,662**	**119,701**	**36,633**	**133**	**25,195**

MID ASSINIBOINE RIVER CONSERVATION DISTRICT NO.15

SCHEDULE 3 - SCHEDULE OF PROVINCIAL GRANT CONTRIBUTIONS

For the 17 months ended August 31, 2008

		2008	2007
PROVINCIAL GRANT RECEIVABLE, BEGINNING OF YEAR		**$ 11,084**	$ 455
Add:	Provincial grant received	**103,916**	120,629
Less:	Grant allocation	**115,000**	110,000
PROVINCIAL GRANT RECEIVABLE, END OF YEAR		**$ -**	$ 11,084

Appendix J

PEMBINA VALLEY CONSERVATION DISTRICT

FINANCIAL STATEMENTS

MARCH 31, 2008

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4 Statement of Financial Position - Donation Fund

5 Statement of Changes in Surplus

6 Statement of Revenue and Expenditures

7 Statement of Cash Flows

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14 Schedule of Expenditures

15 Schedule of Cost Sharing

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Winkler, MB

AUDITOR'S REPORT

TO THE MEMBERS:
PEMBINA VALLEY CONSERVATION DISTRICT

I have audited the statements of financial position of Pembina Valley Conservation District as at March 31, 2008 and the statements of changes in surplus, revenue and expenditures and cash flows for the year then ended. These financial statements are the responsibility of the District's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Note 2a) describes the District's accounting policy with respect to capital assets. The note indicates that the District is expensing capital assets in the year of purchase. In this respect the financial statements are not in accordance with Canadian generally accepted accounting principles which require that capital assets be included on the statement of financial position and be amortized over their estimated useful life.

The District has included $14,893 in inventory as of March 31, 2008 for goods not received until after year end. The effect of this departure from generally accepted accounting principles is to overstate inventory by $14,893 and to understate cash by $14,893.

In my opinion, except for the effects of the failure to capitalize and amortize capital assets and the overstatement of inventory as described in the preceding paragraphs, these financial statements present fairly, in all material respects, the financial position of the District as at March 31, 2008 and the results of its operations and the changes in its surplus and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

My audit opinion does not extend to the Schedule of Cost Sharing presented by the District.

CHARTERED ACCOUNTANT INC.

Winkler, Manitoba
July 10, 2008

PEMBINA VALLEY CONSERVATION DISTRICT

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2008

ASSETS

	2008	2007
CURRENT		
Cash	$ 104,298	$ 53,853
Cash - Tri-Lakes Group	1,383	6,427
Accounts receivable	38,296	56,093
Prepaid expenses	3,738	19,101
Inventory	46,789	25,734
	194,504	161,208
CAPITAL (notes 2a and 3)	150,501	150,501
	$ 345,005	$ 311,709

APPROVED BY

Murray Seymour Director

Gerald [illegible] Director

PEMBINA VALLEY CONSERVATION DISTRICT

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2008

LIABILITIES

	2008	2007
CURRENT		
Accounts payable and accrued	$ **19,227**	$ 12,055
Unearned revenue (note 4)	**43,652**	58,402
	62,879	70,457
STRATEGIC INFRASTRUCTURE RESERVE FUND	**20,000**	20,000
	82,879	90,457

SURPLUS

SURPLUS (page 5)	**262,126**	221,252
	$ **345,005**	$ 311,709

Credit facilities (note 8)

Commitment (note 10)

PEMBINA VALLEY CONSERVATION DISTRICT

STATEMENT OF FINANCIAL POSITION - DONATION FUND

MARCH 31, 2008

ASSETS

		2008		2007
CURRENT				
Cash and investment	**$**	**4,415**	$	5,093

SURPLUS

SURPLUS (note 6)	**$**	**4,415**	$	5,093

APPROVED BY

Murray Seymour Director

Donald J Ahrendes Director

Jim M. Smith
[illegible]

PEMBINA VALLEY CONSERVATION DISTRICT

STATEMENT OF CHANGES IN SURPLUS

FOR THE YEAR ENDED MARCH 31, 2008

	2008	2007
Surplus, beginning of year	**$ 221,252**	$ 285,167
Excess (deficiency) of revenue over expenditures	**40,874**	(63,915)
SURPLUS, END OF YEAR (note 5)	**$ 262,126**	$ 221,252

PEMBINA VALLEY CONSERVATION DISTRICT

STATEMENT OF REVENUE AND EXPENDITURES

FOR THE YEAR ENDED MARCH 31, 2008

	2008	2007
REVENUE		
Provincial grants		
Water Stewardship	**$ 400,000**	$ 390,000
Municipal levies		
Rural Municipality of Lorne	**27,644**	27,391
Rural Municipality of Louise	**18,326**	18,164
Rural Municipality of Pembina	**24,910**	24,676
Rural Municipality of Roblin	**6,884**	6,837
Rural Municipality of Stanley	**42,831**	42,084
Rural Municipality of Thompson	**14,477**	14,348
Town levies		
Town of Manitou	**545**	545
Town of Morden	**14,977**	-
Town of Pilot Mound	**204**	202
Village of Cartwright	**79**	77
Village of Crystal City	**170**	168
Other funding - external	**62,446**	22,889
- local	**9,500**	10,661
Land owner contributions	**-**	30,258
Manitoba Water Stewardship	**-**	12,405
Well filling	**6,750**	8,306
Other income	**4,974**	16,378
Interest income	**5,680**	7,070
Other (note 9)	**3,650**	28,000
	644,047	660,459
EXPENDITURES (page 12)	**603,173**	724,374
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	**$ 40,874**	$ (63,915)

PEMBINA VALLEY CONSERVATION DISTRICT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2008

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenditures	**$ 40,874**	$ (63,915)
Changes in non-cash working capital (note 7)	**4,527**	(60,043)
Cash flows from (used in) operating activities	**45,401**	(123,958)
NET INCREASE (DECREASE) IN CASH	**45,401**	(123,958)
Cash at beginning of year	**60,280**	184,238
CASH AT END OF YEAR	**$ 105,681**	$ 60,280
REPRESENTED BY:		
Cash	**$ 104,298**	$ 53,853
Cash - Tri-Lakes Group	**1,383**	6,427
	$ 105,681	$ 60,280

PEMBINA VALLEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2008

1. PURPOSE OF THE ORGANIZATION

The Pembina Valley Conservation District was incorporated under the laws of the Province of Manitoba in October, 1989. It was established primarily for the purpose of providing programs and education for the conservation of soil and water. The District receives funding from the Province of Manitoba and certain municipalities and is governed by a board of directors chosen from the various municipalities included in the area it serves.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of the organization.

a) **Capital assets**

Effective with the fiscal year ending March 31, 2001, it is the District's policy to expense capital assets in the year of purchase. Amortization is no longer being provided for in the District's records.

b) **Income taxes**

Pembina Valley Conservation District is a non-profit organization and is exempt from income taxes under section 149 of the Income Tax Act.

c) **Inventory**

Inventory is recorded at the lower of cost and net realizable value. Cost is determined on a specific item basis.

d) **Revenue recognition**

The District recognizes all sources of income as revenue in the period in which the income is earned (accrual method). This means income will be recognized in the period it is earned regardless of when it is actually received.

e) **Use of estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

PEMBINA VALLEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2008

3. CAPITAL ASSETS

	2008		2007	
	Cost	**Accumulated Amortization**	Cost	Accumulated Amortization
Land	**$ 53,532**	**$ -**	$ 53,532	$ -
Building	**45,853**	**5,964**	45,853	5,964
Field equipment	**84,663**	**61,281**	84,663	61,281
Office furniture and equipment	**36,031**	**22,322**	36,031	22,322
Surveying equipment	**3,658**	**2,712**	3,658	2,712
Vehicles	**36,052**	**17,009**	36,052	17,009
	259,789	**109,288**	259,789	109,288
Cost less accumulated amortization		**$ 150,501**		$ 150,501

4. UNEARNED REVENUE

	2008	2007
Fisheries Enhancement funds	**1,761**	5,661
Manitoba Hydro Enviro Partners Reserve	**2,500**	-
Rural Municipality of Lorne levy	**-**	13,822
Rural Municipality of Louise levy	**9,245**	9,163
Rural Municipality of Roblin levy	**3,473**	3,442
Rural Municipality of Stanley levy	**21,762**	21,416
Town of Manitou levy	**552**	545
Town of Pilot Mound levy	**207**	204
Tri-Lakes Group	**3,900**	3,900
Village of Cartwright levy	**81**	79
Village of Crystal City levy	**171**	170
	$ 43,652	$ 58,402

PEMBINA VALLEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2008

5. SURPLUS

The surplus has two components: a current surplus and a capital asset surplus. The current surplus is equal to current assets minus liabilities and reserve. This money, which totalled $111,625 at March 31, is available to fund ongoing operations. The capital asset surplus is equal to the net book value of capital assets which totalled $150,501 at March 31. This surplus is not readily available to fund current operations.

6. DONATION FUND SURPLUS

Changes to the donation fund surplus during the year were as follows:

	2008	2007
Interest earned	**$ 29**	$ 396
Expenditures - trophies and scholarship	**(590)**	(588)
Decrease in value of investment	**(117)**	-
Increase (decrease) for the year	**$ (678)**	$ (192)

7. CHANGES IN NON-CASH WORKING CAPITAL

	2008	2007
Increase (decrease) in cash from changes in:		
Accounts receivable	**$ 17,797**	$ (26,710)
Prepaid expenses	**15,363**	12,487
Inventory	**(21,055)**	6,519
Accounts payable and accrued	**7,172**	(40,612)
Unearned revenue	**(14,750)**	(11,727)
	$ 4,527	$ (60,043)

8. CREDIT FACILITIES

The District has arranged for a line of credit authorized to a maximum of $30,000. Security consists of a promissory note and an assignment of book debts. Interest is charged at prime plus 1%.

PEMBINA VALLEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2008

9. OTHER REVENUE

		2008		2007
Agriculture and Agri-Food Canada - Equivalent Agri-Environmental Planning	$	-	$	25,000
Manitoba Conservation - Enviro Youth Corporation		3,650		-
Science & Technology Program		-		3,000
	$	3,650	$	28,000

10. COMMITMENT

Under the terms of an equipment lease the District is committed to payments of $554 plus applicable taxes every three months. The lease expires in March 2010.

11,FINANCIAL INSTRUMENTS

Fair value

The carrying values of cash, accounts receivable and accounts payable and accrued approximate fair value because of their short term maturities.

The District classifies its financial instruments into one of the following categories based on the purpose for which the asset (liability) was acquired. The District's accounting policy for each category is as follows:

Loans and receivables - These assets are non-derivative financial assets resulting from the delivery of cash or other assets by a lender to a borrower in return for a promise to repay on a specified date or dates, or on demand. They arise principally through the provision of goods and services (accounts receivable), but also incorporate other types of contractual monetary assets. They are initially recognized at fair value and subsequently carried at amortized cost, using the effective interest rate method, less any provision for impairment.

Other financial liabilities - Other financial liabilities include accounts payable and accrued. These amounts are initially recognized at fair value and subsequently carried at amortized cost using the effective interest rate method.

PEMBINA VALLEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2008

11. FINANCIAL INSTRUMENTS (cont'd)

Interest rate risk

This is the risk to the organization's earnings that arises with fluctuations in interest rates. The organization does not use any derivative financial instruments to reduce its exposure to interest rate risk.

Credit risk

The organization is exposed to credit risk on its accounts receivable.

12. MANAGING THE ORGANIZATION'S SURPLUS

The District's objective when managing its surplus is to safeguard the entity's ability to continue as a going concern, so that it can continue to provide services to members and benefits for other stakeholders.

The District sets the amount of surplus in proportion to risk and its ability to obtain funding. The District manages its assets and makes adjustments in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the structure, the District may seek additional sources of funding, sell assets to reduce debt or undertake other activities at its discretion.

Consistent with other not-for-profit organizations, the District monitors its surplus (through direct personal involvement with its staff and outside parties) informally and from time-to-time using a variety of measures, depending on the circumstances. Monitoring procedures are informal and are typically performed as a part of the overall management of the entity's operations. Management is aware of risks related to the above objective through direct personal involvement with its staff and outside parties. During the year, the District's strategy, which was unchanged from the prior year, was to maintain its ability, as needed, to operate and to secure access to funding at a reasonable cost, recognizing that the requirements and terms of funders cannot be predicted and change in ways the District cannot predict.

13.RISK MANAGEMENT

Consistent with other small entities, management's risk management policies are informal and are typically performed as a part of the overall management of the entity's operations. Management is aware of risks related to the District's overall objective without the use of a formal process but through direct personal involvement with its staff and outside parties. Management's close involvement in operations identifies risks and variations from expectations leading to changes in risk management activities and requirements and actions. Management has not entered into hedging transactions to manage risk. As a part of the overall management of the entity's operations management informally considers avoidance of undue concentrations of risk, and may require collateral to mitigate credit risk.

PEMBINA VALLEY CONSERVATION DISTRICT

SCHEDULE OF EXPENDITURES

FOR THE YEAR ENDED MARCH 31, 2008

	2008	2007
OPERATING		
Audit and legal	**$ 2,014**	$ 1,578
Ducks Unlimited program	**261**	234
Insurance	**1,399**	1,817
Interest and bank charges	**87**	63
Inventory adjustment	**2,314**	23,076
Office	**21,125**	19,289
Well water testing/chlorinating	**2,688**	3,409
Public education	**37,705**	40,665
Repairs, maintenance and fuel	**26,129**	32,815
Soils miscellaneous	**8,068**	14,895
Soil projects	**15,843**	7,342
Telephone	**2,511**	2,341
Wages and benefits	**109,558**	141,111
Water management/planning	**76,235**	43,217
Water projects (net of $5,000 transfer from the S.I.R.F. - 2008)	**253,908**	354,570
Wildlife projects	**26,652**	18,459
	586,497	704,881
CAPITAL		
Equipment	**1,389**	9,226
Vehicle	**10,287**	10,267
	11,676	19,493
Transfer to Strategic Infrastructure Reserve Fund	**5,000**	-
	$ 603,173	$ 724,374

PEMBINA VALLEY CONSERVATION DISTRICT

SCHEDULE OF COST SHARING

FOR THE YEAR ENDED MARCH 31, 2008
(Unaudited)

	Total Expenditures	Provincial	District Levies	District Other	External
WATERSHED PLANNING	59,086	33,931	11,311	-	13,844
ADMINISTRATION					
Program support & planning	$ 28,000	$ 21,000	$ 7,000	$ -	$ -
Office operation	24,063	10,661	3,554	9,848	-
100% board interest revenue	(5,593)	-	(5,593)	-	-
	46,470	31,661	4,961	9,848	-
PUBLIC EDUCATION	38,017	28,236	9,412	-	369
SOILS MISCELLANEOUS	22,333	16,750	5,583	-	-
WILDLIFE/FISHERIES	28,179	5,818	1,940	-	20,421
WATER					
Multi-purpose projects	285,827	185,677	61,892	7,415	30,843
Well filling	29,063	16,069	5,356	7,638	-
Water management	62,888	47,166	15,722	-	-
	377,778	248,912	82,970	15,053	30,843
TOTAL	571,863	365,308	116,177	24,901	65,477
ASSETS					
Inventory	30,008	21,050	7,017	-	1,941
Equipment - capital	11,676	8,757	2,919	-	-
Transfer to S.I.R.F.	5,000	3,750	1,250	-	-
	46,684	33,557	11,186	-	1,941
TOTAL EXPENDITURES	$ 618,547	$ 398,865	$ 127,363	$ 24,901	$ 67,418
TOTAL EXPENDITURES (%)	100	64	21	4	11

SCHEDULE OF PROVINCIAL GRANT RECEIVABLE/PAYABLE
FOR THE YEAR ENDED MARCH 31, 2008

PROVINCIAL GRANT 2007-2008	400,000
LESS: 2007-2008 Allocated Grant (spent)	(398,865)
PROVINCIAL GRANT REMAINING/OVERSPENT	$ 1,135

2008 MUNICIPAL LEVY - $151,047

Appendix K

Seine-Rat River Conservation District

Auditors' Report and
Financial Statements

March 31, 2008

Collins Barrow

Collins Barrow
Chartered Accountants

401 Century Plaza
One Wesley Avenue
Winnipeg, Manitoba
R3C 4C6

T. 204.942.0221
F. 204.944.8371
email: collinsbarrow@wpgcb.com

Auditors' Report

To the Members
Seine-Rat River Conservation District

We have audited the statement of financial position of Seine-Rat River Conservation District as at March 31, 2008 and the statements of operations for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the District as at March 31, 2008 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

Collins Barrow

Winnipeg, Canada
June 11, 2008

CHARTERED ACCOUNTANTS

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Seine-Rat River Conservation District

Financial Statements
March 31, 2008

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Seine-Rat River Conservation District

Statement of Financial Position

March 31, 2008

	2008	2007
Assets		
Current assets		
Cash	$ 62,600	$196,043
Accounts receivable	146,044	12,130
Provincial grant receivable	1,757	6,334
	210,401	214,507
Property and equipment (note 3)	133,123	136,235
	$343,524	$350,742
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accruals	$135,674	$ 65,956
Deferred revenue		85,000
Current portion of long-term debt	4,781	7,387
	140,455	158,343
Long term debt (note 4)		4,773
	140,455	163,116
Net assets		
Internally restricted (note 5)	30,536	18,964
Unrestricted	172,533	168,662
	203,069	187,626
	$343,524	$350,742

Approved By the Board:

_______________, Director

_______________, Director

Seine-Rat River Conservation District

Statement of Operations
For The Year Ended March 31, 2008

	2008	2007
Revenues		
Grants		
Province of Manitoba	**$320,423**	$286,646
Career Start Program		2,320
Levies		
Rural Municipality of De Salaberry	**15,000**	15,000
Rural Municipality of Hanover	**22,000**	22,000
Rural Municipality of La Broquerie	**15,000**	28,300
Rural Municipality of Reynolds	**600**	
Rural Municipality of Richot	**15,000**	15,000
Rural Municipality of Springfield	**2,000**	
Rural Municipality of Ste. Anne	**15,000**	20,000
Rural Municipality of Stuartburn	**2,000**	
Rural Municipality of Tache	**15,000**	
City of Steinbach	**10,000**	10,000
Town of St. Anne	**1,000**	1,000
Village of St. Pierre-Jolys	**1,000**	2,000
Other Government Program	**83,622**	45,500
Donations	**14,186**	14,000
Land Owners	**2,000**	
Miscellaneous	**6,518**	2,487
	540,349	464,253
Program costs - Schedule 1.	**450,259**	281,531
General and administrative expenses - Schedule 2.	**74,647**	73,650
	524,906	355,181
Excess of revenues over expenditures	**15,443**	109,072
Surplus, beginning of the year	**168,662**	78,554
	184,105	187,626
Transfer to Internally Restricted Funds (note 5)	**11,572**	18,964
Surplus, end of the year	**$172,533**	$168,662

1. Nature of Activities

The Seine-Rat River Conservation District was incorporated under the laws of the Province of Manitoba. The District was established primarily for the purpose of providing programs and education for the conservation of soil, water and wildlife. The District receives funding from the Province of Manitoba and the Municipalities of De Salaberry, La Broquerie, Hanover, Richot, St. Anne, Stuartburn, Springfield, Tache, Reynolds, the Town of Ste. Anne, the Village of St. Pierre-Jolys and the City of Steinbach and is governed by a board of directors from the municipalities and City involved in the Conservation district. The District is exempt from income taxes.

2. Significant Accounting Policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

Inventories

Inventories of materials and supplies are not recorded. Such items are expensed in the year purchased.

Property and Equipment

Property and equipment are initially recorded at cost. Amortization is provided using the straight-line method at a 10% rate intended to amortize the cost of the assets over their estimated useful lives.

Revenue Recognition

The organization recognizes revenue and profits from long-term funding in the period in which the corresponding expenses are incurred.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Seine-Rat River Conservation District

Notes to the Financial Statements
March 31, 2008

3. Property and Equipment

	2008			2007
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	$ 82,107	$	$ 82,107	$ 82,107
Truck	33,337	16,669	16,668	20,001
Computer equipment	19,519	9,113	10,406	11,617
Office equipment	25,545	9,265	16,280	13,891
Field equipment	9,577	1,915	7,662	8,619
	$170,085	$ 36,962	$133,123	$136,235

4. Long-Term Debt

	2008	2007
Term loan bearing interest at 7% payable in monthly instalments of $667, principal and interest	$ 4,773	$ 12,160
Less: Current portion	4,773	7,387
	$ -	$ 4,773

5. Internally Restricted Net Assets

The Board has restricted the amount of $30,536 (2007 - $18,964) for future operations.

6. Statement of Cash Flows

The statement of cash flows has not been presented as the information is readily available from the Statement of Financial Position and Statement of Operations.

7. Commitments

Seine-Rat River Conservation District is committed to minimum annual payments under lease agreements for office facilities as follows:

2009	15,600
2010	15,600
2011	15,600
2012	15,600
2013	15,600
2014	15,600
2015	9,100
	$102,700

8. Fair Value of Financial Instruments and Credit Risk

The carrying amounts of accounts receivable, Provincial grant receivable and accounts payable approximate their fair value because of the near-term nature of these instruments.

The carrying value of long term debt approximates its fair value since it bears interest at a rate comparable for similar types of borrowing arrangements.

Credit Risk

It is the Members' and the administration's opinion that the District is not exposed to significant interest, currency or credit risks arising from its financial instruments.

Seine-Rat River Conservation District

Schedule of Program Costs

For The Year Ended March 31, 2008

	2008	2007
Administration	**$ 20,418**	$ 11,487
Board remuneration expenses	**55,017**	44,149
Brushing and shelterbelt	**14,814**	26
Drainage	**55,449**	71,112
Education	**14,375**	13,546
Grass waterways	**6,144**	844
Miscellaneous		4,867
Pasture management	**5,290**	
Riparian program	**55,913**	17,554
Groundwater protection	**29,111**	26,286
Staff development	**17,047**	13,228
Water management	**40,882**	24,408
Water, storage and retention	**134,465**	48,300
Wildlife and Fisheries	**1,334**	5,724
	$450,259	$281,531

Schedule 2.

Seine-Rat River Conservation District
Schedule of General and Administrative Expenses
For The Year Ended March 31, 2008

	2008	2007
Amortization	**$ 8,798**	$ 8,229
Bank charges and loan interest	**1,122**	1,595
Insurance	**1,744**	3,474
Membership	**3,000**	3,000
Office	**5,520**	6,638
Professional fees	**2,086**	3,138
Rent	**15,600**	14,467
Salaries	**35,011**	31,390
Telephone	**1,766**	1,719
	$ 74,647	$ 73,650

Seine-Rat River Conservation District
Schedule of Cost Sharing
For The Year Ended March 31, 2008

	Total Expenditures	Provincial	District	External	Other
Administration	$ 62,848	$ 46,417	$ 15,712	$	$ 719
Public education	109,857	82,393	27,464		
Soils	26,248	10,386	3,462	10,000	2,400
Wildlife	1,334	1,000	334		
Water	315,820	175,962	59,136	73,722	7,000
Assets					
Office furniture	5,686	4,265	1,421		
	$521,793	$320,423	$107,529	$ 83,722	$ 10,119

Seine-Rat River Conservation District

Schedule of Provincial Grant Receivable
For The Year Ended March 31, 2008

	2008	2007
Provincial Grant, 2007 - 2008	**$325,000**	$285,000
Less: Grant receivable	**6,334**	4,688
	318,666	280,312
Less: 2007 - 2008 Allocated Grant - Schedule 3.	**320,423**	286,646
Provincial Grant receivable	**$ 1,757**	$ 6,334

SWAN LAKE WATERSHED CONSERVATION DISTRICT

FINANCIAL STATEMENTS

MARCH 31, 2008

SWAN LAKE WATERSHED CONSERVATION DISTRICT
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- Statement of Changes in Net Assets
- Statement of Revenue and Expenditures
- Notes to the Financial Statements
- Auditors' Supplementary Report
- Schedule of Cost Sharing
- Schedule of Project Expenditures

REIMER & COMPANY
Chartered Accountant
Chris Reimer, CGA, CA, CFP • Rose Kovachik, CGA

1000 Main Street, P.O. Box 146
Swan River, Manitoba
R0L 1Z0

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF
SWAN LAKE WATERSHED CONSERVATION DISTRICT

We have audited the balance sheet of Swan Lake Watershed Conservation District as at March 31, 2008 and the statements of revenue and expenditures, and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Swan Lake Watershed Conservation District as at March 31, 2008 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Reimer & Company

Chartered Accountant

Swan River, MB
June 5, 2008

Phone: (204) 734-2599 • Toll Free: 1-866-468-0259 • Fax: (204) 734-3184 • Email: info@reimerco.ca

SWAN LAKE WATERSHED CONSERVATION DISTRICT

BALANCE SHEET

MARCH 31, 2008

ASSETS	
CURRENT	
Cash	$ 31,175
Accounts Receivable (note 3)	4,674
Prepaid Expenses and Deposits	290
	36,139
FIXED (note 4)	64,991
	$ 101,130
LIABILITIES	
CURRENT	
Accounts Payable and Accrued Liabilities (note 5)	$ 7,459
Current Portion of Long Term Debt	8,466
	15,925
LONG TERM DEBT (note 6)	30,516
NET ASSETS	54,689
	$ 101,130

On behalf of the Board of Directors:

________________, Director ________________, Director

SWAN LAKE WATERSHED CONSERVATION DISTRICT

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2008

BALANCE, BEGINNING OF YEAR	$ -
EXCESS OF REVENUE OVER EXPENDITURES	54,689
BALANCE, END OF YEAR	$ 54,689

SWAN LAKE WATERSHED CONSERVATION DISTRICT

STATEMENT OF REVENUE AND EXPENDITURES

FOR THE YEAR ENDED MARCH 31, 2008

REVENUE	
Province of Manitoba	***$ 175,000***
Local Levies	***66,487***
Investment Income	***273***
	241,760
EXPENDITURES	
Projects (Schedule B)	
Public Relations and Education	***11,386***
Soil Management	***150***
Water Management	***45,964***
Watershed Management	***39***
	57,539
Administration and Operations	
Advertising and Promotion	***2,245***
Amortization	***12,846***
Bank Charges and Interest	***69***
Board Remuneration	***14,751***
Equipment and Vehicle Maintenance	***6,315***
Insurance	***853***
Interest on Long Term Debt	***1,507***
Miscellaneous	***178***
Office and Postage	***16,017***
Office Repairs and Maintenance	***21***
Professional Fees	***2,200***
Staff Wages and Benefits	***71,720***
Utilities	***810***
	129,532
	187,071
EXCESS OF REVENUE OVER EXPENDITURES	***$ 54,689***

1. STATUS AND NATURE OF ACTIVITIES

The Swan Lake Watershed Conservation District was formed on January 17, 2007. The Swan Lake Watershed Conservation District operates under the authority of the Conservation Districts Act as a not-for-profit organization and its purpose is to provide for the conservation, control and prudent use of resources throughout its district. The projects that it undertakes are funded jointly between the Province of Manitoba, participating municipal governments and individuals.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of Swan Lake Watershed Conservation District.

Recognition of Contributions

Swan Lake Watershed Conservation District follows the deferral method in accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount receivable can be reasonably estimated and its collection reasonably assured.

Unrestricted investment income is recognized as revenue when earned.

Fees for services are recognized as revenue when the agreed upon services to the participant have been completed, the amount to be received can be reasonably estimated, and collection is reasonably assured.

Fixed Assets

Fixed assets are recorded at cost. Amortization is provided for on a diminishing balance basis which amortizes the cost over their estimated useful life as follows:

Automotive Equipment	35%
Furniture and Fixtures	20%
Computer Equipment	55%

Income Taxes

Swan Lake Watershed Conservation District is a not-for-profit organization and is exempt from income taxes under Section 149 of the Income Tax Act.

SWAN LAKE WATERSHED CONSERVATION DISTRICT

STATEMENT OF REVENUE AND EXPENDITURES

FOR THE YEAR ENDED MARCH 31, 2008

REVENUE	
Province of Manitoba	***$ 175,000***
Local Levies	***66,487***
Investment Income	***273***
	241,760
EXPENDITURES	
Projects (Schedule B)	
Public Relations and Education	***11,386***
Soil Management	***150***
Water Management	***45,964***
Watershed Management	***39***
	57,539
Administration and Operations	
Advertising and Promotion	***2,245***
Amortization	***12,846***
Bank Charges and Interest	***69***
Board Remuneration	***14,751***
Equipment and Vehicle Maintenance	***6,315***
Insurance	***853***
Interest on Long Term Debt	***1,507***
Miscellaneous	***178***
Office and Postage	***16,017***
Office Repairs and Maintenance	***21***
Professional Fees	***2,200***
Staff Wages and Benefits	***71,720***
Utilities	***810***
	129,532
	187,071
EXCESS OF REVENUE OVER EXPENDITURES	***$ 54,689***

SWAN LAKE WATERSHED CONSERVATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2008

1. STATUS AND NATURE OF ACTIVITIES

The Swan Lake Watershed Conservation District was formed on January 17, 2007. The Swan Lake Watershed Conservation District operates under the authority of the Conservation Districts Act as a not-for-profit organization and its purpose is to provide for the conservation, control and prudent use of resources throughout its district. The projects that it undertakes are funded jointly between the Province of Manitoba, participating municipal governments and individuals.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of Swan Lake Watershed Conservation District.

Recognition of Contributions
Swan Lake Watershed Conservation District follows the deferral method in accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount receivable can be reasonably estimated and its collection reasonably assured.

Unrestricted investment income is recognized as revenue when earned.

Fees for services are recognized as revenue when the agreed upon services to the participant have been completed, the amount to be received can be reasonably estimated, and collection is reasonably assured.

Fixed Assets
Fixed assets are recorded at cost. Amortization is provided for on a diminishing balance basis which amortizes the cost over their estimated useful life as follows:

Automotive Equipment	35%
Furniture and Fixtures	20%
Computer Equipment	55%

Income Taxes
Swan Lake Watershed Conservation District is a not-for-profit organization and is exempt from income taxes under Section 149 of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Managements' Estimates and Assumptions

The preparation of financial statements in accordance to Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of these financial statements and the reported amount of revenue and expenditures during the reported period. These estimates are reviewed periodically, and if adjustments become necessary, they are reported in earnings in the period in which they become known.

Financial Instruments

Swan Lake Watershed Conservation District financial instruments consist of cash, accounts receivable, accounts payable and accruals. Unless otherwise noted, it is managements' opinion that the organization is not exposed to significant interest, currently or credit risk arising from these financial instruments. The fair value of these financial instruments approximate their carrying values.

3. ACCOUNTS RECEIVABLE

Government of Canada (GST)	**$ 4,674**

4. FIXED ASSETS

	Cost	Accumulated Amortization	Net Book Value
Automotive Equipment	$ 64,946	$ 9,741	**$ 55,205**
Furniture and Fixtures	2,518	252	**2,266**
Computer Equipment	10,373	2,853	**7,520**
	$ 77,837	$ 12,846	**$ 64,991**

5. ACCOUNTS PAYABLE

Bee Gee's Stationery	**$ 26**
Employee Source Deductions	**5,140**
Reimer & Company Chartered Accountant	**2,200**
Swan Valley Credit Union Mastercard	**93**
	$ 7,459

6. LONG TERM DEBT

Swan Valley Credit Union - loan repayable in monthly installments of $849 with interest at prime less 1.1% included therein for a term of 60 months, secured by cash deposit in Plan 24:	**$ 38,982**
Less Current Portion	**8,466**
	$ 30,516

Principal repayments for the next five years are as follows:

2009	$ 8,466
2010	8,891
2011	9,336
2012	9,804
2013	2,485
	$ 38,982

7. FAIR VALUE DISCLOSURE

The carrying amount of accounts receivable, prepaid expenses and deposits, accounts payable and accrued liabilities approximate their fair value due to the short-term maturities of these items.

The fair value of the organization's fixed rate long term debt is also approximated by its carrying value as there have been no significant changes in lending rates or other conditions.

8. ECONOMIC DEPENDENCE

The organization's chief source of income is derived from Provincial Government Grants and its ability to continue viable operations is dependent upon the maintenance of these grants.

9. PUBLIC SECTOR COMPENSATION DISCLOSURE

For the purpose of the Public Sector Compensation Disclosure Act, all compensation for employees, as applicable, is disclosed in a separate audited statement available on request.

10. FISCAL YEAR

The Conservation District received its initial funding for the 2007/08 fiscal year in February 2007 however, no expenditures were made and no activity undertaken until April 2007. For purposes of this statement these deposits have been reported as current fiscal year activity.

11. RECONCILIATION OF EXPENDITURES

Total costs as reported on the Schedule of Cost Sharing can be reconciled with the Statement of Revenue and Expenditures as follows:

Total Costs per Schedule of Cost Sharing (Schedule A)	$ 252,061
Add: Amortization	12,846
Less: Asset Purchases	(77,836)
Total Expenditures per Statement of Revenue and Expenditures	$ 187,071

REIMER & COMPANY
Chartered Accountant
Chris Reimer, CGA, CA, CFP • Rose Kovachik, CGA

1000 Main Street, P.O. Box 146
Swan River, Manitoba
R0L 1Z0

AUDITORS' SUPPLEMENTARY REPORT

TO THE BOARD OF DIRECTORS OF
SWAN LAKE WATERSHED CONSERVATION DISTRICT

We have audited and reported separately on the financial statements of the Swan Lake Watershed Conservation District as at March 31, 2008.

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Conservation District as a whole. This supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements as a whole. We are unable to express an audit opinion as to whether this supplementary information is presented fairly in relation to the financial statement taken as a whole.

Reimer & Company

Chartered Accountant

Swan River, MB
June 5, 2008

Phone: (204) 734-2599 • Toll Free: 1-866-468-0259 • Fax: (204) 734-3184 • Email: info@reimerco.ca

SWAN LAKE WATERSHED CONSERVATION DISTRICT

SCHEDULE OF COST SHARING

FOR THE YEAR ENDED MARCH 31, 2008

	Total Expenditures	Provincial (75%)	Local (25%)
Administration and Operations	**$ 129,532**	$ 97,149	$ 32,383
Less: Amortization	**(12,846)**	(9,635)	(3,211)
	116,686	87,514	29,172
Asset Purchases:			
- Automotive Equipment	**64,945**	48,709	16,236
- Furniture and Fixtures	**2,518**	1,889	629
- Computer Equipment	**10,373**	7,780	2,593
	77,836	58,378	19,458
Projects	**57,539**	43,154	14,385
Total Costs	**$ 252,061**	189,046	$ 63,015
Provincial Grants Received		175,000	
Provincial Excess (Shortfall)		$ (14,046)	

SWAN LAKE WATERSHED CONSERVATION DISTRICT

SCHEDULE OF PROJECT EXPENDITURES

FOR THE YEAR ENDED MARCH 31, 2008

Public Relations and Education	
Demo Tour Days	$ 37
Ducks Unlimited	325
Envirothon	500
MCDA Convention	2,051
Meetings and Travel	6,085
Policy	1,492
Professional Development	726
Project Planning	170
	11,386
Soil Management	
Stabilization	150
Water Management	
Abandoned Wells	26,764
Erosion/Velocity Control	16,359
Project Planning	50
Small Dams	2,701
Water Tour/Workshops	90
	45,964
Watershed Management	
Financial Planning	39
	$ 57,539

Appendix M

Tiger Hills Conservation District

Auditors' Report and
Financial Statements

March 31, 2008

Collins Barrow
Chartered Accountants

Collins Barrow
Chartered Accountants

401 Century Plaza
One Wesley Avenue
Winnipeg, Manitoba
R3C 4C6

T. 204.942.0221
F. 204.944.8371
email: collinsbarrow@wpgcb.com

Auditors' Report

To the Members
Tiger Hills Conservation District

We have audited the balance sheet of Tiger Hills Conservation District as at March 31, 2008 and the statements of revenue and expenditures and surplus and cash flows for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the District as at March 31, 2008 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

Collins Barrow

CHARTERED ACCOUNTANTS

Winnipeg, Canada
June 6, 2008

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Tiger Hills Conservation District

Financial Statements
March 31, 2008

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Tiger Hills Conservation District

Balance Sheet

March 31, 2008

	2008	2007
Assets		
Current assets		
Cash	$ 65,773	$ 18,707
Accounts receivable (note 3)	4,225	34,862
Prepaid expenses	405	203
	$ 70,403	$ 53,772
Liabilities		
Current liabilities		
Bank overdraft	$	$ 27,026
Accounts payable and accrued charges	2,162	1,992
Deferred revenue (note 4)	8,420	14,408
Due to Assiniboine Hills Conservation District (note 5)	50,000	
	60,582	43,426
Surplus		
Surplus	9,821	10,346
	$ 70,403	$ 53,772

Approved By the Board:

_______________, Director

_______________, Director

Tiger Hills Conservation District

Statement of Revenue and Expenditures and Surplus

For The Year Ended March 31, 2008

	2008	2007
Revenue		
Municipal levies		
Rural Municipality of Argyle	$ 10,702	$ 10,702
Rural Municipality of Glenwood	9,531	9,531
Rural Municipality of South Cypress	7,042	7,042
Rural Municipality of Strathcona	6,001	6,001
Village of Glenboro	743	743
	34,019	34,019
Provincial grant - Schedule 3. (note 4)	111,600	111,474
Other provincial grants	780	3,092
Sales of services	26,237	2,295
Government of Canada - HRDC	1,605	
PFRA	2,266	9,961
MCDA		30,805
Covering New Ground		5,000
Partner and landowner contributions	1,200	7,639
Miscellaneous	5,988	1,048
Interest income	1,806	1,579
Fisheries Enhancement Tri-lake	13,388	4,649
Sustainable development	10,485	1,700
Donations	850	
Energy Science and Technology		800
	210,224	214,061
Expenditures		
Program management - Schedule 1.	30,040	20,123
Public education	31,505	44,342
District programs - Schedule 2.	149,204	145,558
Watershed planning		5,198
	210,749	215,221
(Deficiency) of revenue over expenditures	(525)	(1,160)
Surplus, beginning of the year	10,346	11,506
Surplus, end of the year	$ 9,821	$ 10,346

Tiger Hills Conservation District

Statement of Cash Flows

For The Year Ended March 31, 2008

	2008	2007
Cash Provided By (Used For)		
Operating activities		
(Deficiency) of revenue over expenditures	**$ (525)**	$ (1,160)
Changes in non-cash working capital		
(Increase) decrease in accounts receivable	**30,637**	(32,043)
(Increase) decrease in prepaid expenses	**(202)**	1,036
Increase (decrease) in accounts payable	**170**	1,322
Increase in amounts due to Assiniboine Hills Conservation District	**50,000**	
Increase (decrease) in deferred revenue	**(5,988)**	(1,474)
Increase (decrease) in cash	**74,092**	(32,319)
Cash (bank overdraft), beginning of the year	**(8,319)**	24,000
Cash (bank overdraft), end of the year	**$ 65,773**	$ (8,319)
Cash (bank overdraft) represented by:		
Cash	**65,773**	18,707
Bank overdraft		(27,026)
	$ 65,773	$ (8,319)

Tiger Hills Conservation District

Notes to the Financial Statements
March 31, 2008

1. Nature of Activities

The Conservation District operates under the authority of The Conservation Districts Act and Regulations.

The mandate of the Conservation District is to promote the sustainable use and management of the land, water and related resources in the municipalities of Argyle, Glenwood, South Cypress and Strathcona and the Village of Glenboro.

2. Significant Accounting Policies

Inventories

Inventories of materials and supplies are not recorded. Such items are expensed in the year purchased.

Income Taxes

Tiger Hills Conservation District is a non-profit organization and is exempt from income taxes under section 149 of the Income Tax Act.

Property, Plant and Equipment

It is the District's policy to expense property, plant and equipment in the year of purchase.

Revenue Recognition

The Conservation District uses the deferral method to recognize revenue.

3. Accounts Receivable

	2008	2007
Goods and services tax	**$ 2,450**	$ 3,325
Sale of services	**1,775**	5,540
MCDA		25,997
	$ 4,225	$ 34,862

4. Deferred Revenue

	2008	2007
Province of Manitoba - grant	**$ 8,420**	$ 5,020
Healthy Waters Project		9,388
	$ 8,420	$ 14,408

5. Amalgamation and reorganization

In 2007, Tiger Hills Conservation District and Mid-Assiniboine River Conservation District had tentatively agreed to amalgamate to form Assiniboine Hills Conservation District. The anticipated date of the amalgamation was April 1, 2008.

The amalgamation did not occur and Mid-Assiniboine River Conservation District is in the process of winding up its operations.

Effective April 1, 2008 the R.M. of Cornwallis has joined the Conservation District, which will now operate as the Assiniboine Hills Conservation District.

The Province of Manitoba has advanced $50,000 towards Assiniboine Hills Conservation District's 2008/2009 operating expenses.

Schedule 1.

Tiger Hills Conservation District
Schedule of Program Management Expenditures
For The Year Ended March 31, 2008

	2008	2007
Program Management		
Amalgamation (note 5)	**$ 11,980**	$ 7,710
Audit and legal	**877**	1,233
Bad debts	**936**	
Bank charges and interest	**403**	288
Board remuneration and expenses	**5,815**	2,965
Insurance	**250**	
MCDA fees	**712**	3,000
Office	**1,890**	
Repairs and maintenance	**263**	
Staff training	**1,482**	2,799
Unallocated salaries, wages and benefits	**3,261**	2,058
Utilities	**2,171**	70
	$ 30,040	$ 20,123

Schedule 2.

Tiger Hills Conservation District

Schedule of District Programs

For The Year Ended March 31, 2008

	Elgin Creek	Pelican/ Rock Lake	Upper Oak	Lower Oak	Central Assiniboine	**2008 Total**	2007 Total
Abandoned wells	$ 1,478	$ 2,059	$ 1,457	$ 1,387	$ 1,075	**$ 7,456**	$ 9,451
Alternate water/pasture pipeline	4,173	2,034	2,088	2,076	1,802	**12,173**	4,825
Beaver management	437	942	882	600	589	**3,450**	4,288
Community trees	838	1,087	1,127	2,858	994	**6,904**	9,965
Demo days	526	655	831	538	552	**3,102**	7,298
Fish habitat	493	2,421	1,041	1,481	890	**6,326**	5,811
Forage seed	1,186	2,157	1,616	2,514	980	**8,453**	7,928
Grassed waterways	637	927	3,009	3,728	723	**9,024**	12,870
Mole leveling/pasture management	889	976	1,313	1,181	1,491	**5,850**	3,758
Prairie enhancement	1,408	1,461	1,256	2,418	2,940	**9,483**	4,334
Public education	3,160	4,153	4,543	3,283	4,295	**19,434**	20,571
Salinity solutions	438	576	670	571	559	**2,814**	5,545
Shoreline stabilization	766	2,679	528	584	447	**5,004**	9,182
Special projects	2,100	13,006	3,443	2,662	3,070	**24,281**	20,228
Watershed management	827	1,256	4,988	1,270	828	**9,169**	
Well rehabilitation	612	674	789	793	713	**3,581**	3,779
Winter wheat	450	2,011	3,750	4,715	1,774	**12,700**	15,725
	$ 20,418	$ 39,074	$ 33,331	$ 32,659	$ 23,722	**$149,204**	$145,558

Schedule 3.

Tiger Hills Conservation District

Schedule of Cost Sharing
For The Year Ended March 31, 2008

	Total Expenditures	External Funding	Provincial	Municipal
Program Management				
General	$ 30,040	$ 1,605	$ 21,326	$ 7,109
Other		12,766	(7,582)	(5,184)
	30,040	14,371	13,744	1,925
District Programs				
Abandoned wells	7,456	5,149	1,730	577
Alternate water/pasture pipelines	12,173	8,000	3,130	1,043
Beaver management	3,450	1,069	1,786	595
Community tree	6,904		5,178	1,726
Demo days	3,102		2,326	776
Fish habitat	6,326	4,000	1,375	951
Forage seed	8,453		6,340	2,113
Grassed waterways	9,024		6,768	2,256
Mole leveling/pasture management	5,850	1,100	3,562	1,188
Prairie enhancement	9,483		7,112	2,371
Public education	19,434		14,575	4,859
Salinity solutions	2,814		2,111	703
Shoreline stabilization	5,004		4,122	882
Special projects	24,281	4,835	14,585	4,861
Watershed management	9,169	5,850	2,489	830
Well rehabilitation	3,581	1,077	1,878	626
Winter wheat	12,700	2,266	7,826	2,608
	149,204	33,346	86,893	28,965
Public education	31,505	16,888	10,963	3,654
Total Expenditures	$210,749	$ 64,605	$111,600	$ 34,544

Reconciliation of deferred provincial grant

Deferred revenue, March 31, 2006	$ (5,020)
Provincial share of expenses for the year	111,600
Less: Grant received	(115,000)
Deferred revenue, March 31, 2007	$ (8,420)

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

FINANCIAL STATEMENTS

For the year ended March 31, 2008

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4
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AUDITORS' REPORT

To the Board of Directors:
Turtle Mountain Conservation District No. 4:
Deloraine, Manitoba

We have audited the statement of financial position of **Turtle Mountain Conservation District No. 4** as at **March 31, 2008**, the statement of revenues and surplus for the General Board Program, the statements of operations and surplus (deficit) for Sub-District Program, Equipment Program #1, Equipment Program #2, and Equipment Reserve for the year then ended. These financial statements are the responsibility of the district's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the district as at **March 31, 2008** and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit opinion does not extend to the Schedules of Cost Sharing and Provincial Contributions presented by the District.

Sensus
Partnership of
Chartered Accountants

June 22, 2008
Brandon, Manitoba

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TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4
STATEMENT OF FINANCIAL POSITION
As at March 31, 2008

	2008	2007
ASSETS		
CURRENT		
Cash and Cash Equivalents (Note 2)	$ 356,637	$ 309,219
Accounts Receivable (Note 3)	14,697	36,817
Inventory (Note 2)	5,077	6,393
	376,411	352,429
PROPERTY, PLANT AND EQUIPMENT (Note 2 and 4)	181,535	179,467
	$ 557,946	$ 531,896
LIABILITIES		
CURRENT		
Accounts Payable	$ 55,571	$ 26,901
Unearned Revenue	33,915	48,088
	89,486	74,989
SURPLUS (DEFICIT)		
GENERAL BOARD PROGRAM	297,140	285,496
SUB-DISTRICT PROGRAM	109,172	108,272
SUB-DISTRICT BOARD PROGRAM	-	-
EQUIPMENT PROGRAM #1	2,267	2,518
EQUIPMENT PROGRAM #2	27,881	28,620
EQUIPMENT RESERVE	32,000	32,000
	468,460	456,907
	$ 557,946	$ 531,896

APPROVED ON BEHALF OF THE BOARD

Richard C. Sexton
DIRECTOR

DIRECTOR

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4
GENERAL BOARD PROGRAM
STATEMENT OF REVENUES AND SURPLUS
For the year ended March 31, 2008

	2008	2007
REVENUE		
Municipal Levies	$ 54,074	$ 56,998
Province Of Manitoba	185,523	160,864
Land Rental	4,115	5,907
Direct Charges	968	265
Soils Committee		2,572
Recreation Committee / Promo Items / Other	1,120	1,274
Manitoba Hometown Green Team	4,394	2,362
Interest and Investment Revenue	15,043	11,504
Eco-Action Community Funding Program		12,000
Agriculture & Agri-Food Canada - Green Cover Canada	2,200	2,100
Important Bird Area	269	239
Fisheries Enhancement Initiative		4,000
TD Friends of the Environment	2,279	1,918
Sustainable Development Innov. Fund	13,925	6,075
Manitoba Water Stewardship Fund	26,500	3,300
Ducks Unlimited	4,320	
Nature Canada	14,000	
MHHC	169	
Transfer From Sub-District Account	17,397	10,156
Transfer From Sub-District Board Program		10,752
	346,296	292,286
EXPENSES, Per Schedule Of Expenses	334,651	277,826
EXCESS OF REVENUES OVER EXPENSES	11,644	14,460
SURPLUS, BEGINNING OF YEAR	285,496	271,036
SURPLUS, END OF YEAR	$ 297,140	$ 285,496

GENERAL BOARD PROGRAM
SCHEDULE OF EXPENSES
For the year ended March 31, 2008

	2008	2007
Administrative - General	$ 33,255	$ 33,107
- Local	180	180
Public Relations	32	34
Board & Committee Remuneration	13,546	5,575
Program Support	68,670	
Amortization From Equipment Program #1	9,070	10,513
Amortization - Office Equipment	5,590	6,119
- Program Support	3,717	2,898
- Machinery	2,053	1,684
- Warehouse	6,081	6,081
Direct Expenses	968	265
Professional Education and Development	1,759	4,869
Special Programs		
Forage - Salinity Program	21,561	18,287
Public Education	44,813	98,885
Important Bird Area	269	239
Forage Bufferstrip Program	3,775	
Shelterbelt Program	2,904	18,950
Wildlife Program	4,183	8,375
Interpretative Area Management	15,969	10,552
Turtle Mountain Upland Conservation Agreements	56,806	
Turtle Mountain Wetland Conservation Agreements	34,711	35,231
Abandoned Farmstead Program	436	12,000
Warehouse Expenses	4,303	3,774
Transfer To Equipment #2		208
	$ 334,651	$ 277,826

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4
SUB-DISTRICT PROGRAM
STATEMENT OF OPERATIONS AND SURPLUS (DEFICIT)
For the year ended March 31, 2008

	Wakopa 58	Upper Pembina 59	West Arthur 64	Waskada Creek 65	Medora Creek 66	Chain Lakes 67	Elgin Creek Wh. Lake 68	Total 2008	Total 2007
REVENUE									
Municipal Levies	$ 6,446	$ 6,829		$ 6,086	$ 4,046	$ 4,461	$ 6,720	$ 34,588	$ 34,502
Province Of Manitoba	18,005	17,253		10,725	10,741	11,389	18,231	86,344	113,855
Municipal Grants									7,951
Program Revenue	380			1,896	2,589			4,865	6,606
Land Rental Revenue						760		760	3,057
Ducks Unlimited									1,000
	24,831	24,082		18,707	17,376	16,610	24,951	126,557	166,971
EXPENSES									
Per Schedule of Expenses	24,453	23,347	$ 2,680	16,197	17,662	16,606	24,713	125,658	170,421
EXCESS (DEFICIT) OF REVENUE OVER EXPENSES	378	735	(2,680)	2,510	(286)	4	238	899	(3,450)
SURPLUS, BEGINNING OF YEAR	16,112	27,862	4,115	(10,756)	34,456	9,111	27,373	108,273	111,723
SURPLUS (DEFICIT), END OF YEAR	$16,490	$28,597	$1,435	($8,246)	$34,170	$9,115	$27,611	$109,172	$108,273

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4
SUB-DISTRICT PROGRAM
SCHEDULE OF EXPENSES
For the year ended March 31, 2008

	Wakopa 58	Upper Pembina 59	West Arthur 64	Waskada Creek 65	Medora Creek 66	Chain Lakes 67	Elgin Creek Wh. Lake 68	Total 2008	Total 2007
Water Storage / Maintenance				$ 5,040	$ 141			$ 5,181	$ 81
Abandoned Well Sealing	$ 4,894	$ 9,110		1,868	6,065	$ 2,264	$ 8,110	32,311	20,756
Management Plan									23,564
Surface Water Management	476	89	1,680		1,500	40		3,785	91,249
Beneficial Management Programs	10,000	11,716	1,000	8,878	4,024	2,000	13,840	51,458	3,050
Grassed Waterways		1,154			3,541	730	146	5,571	11,956
Water Quality Monitoring Program	237	68		70	162	91	306	934	1,989
Special Projects	1,946	1,210		341	110	3,103	2,311	9,021	2,619
Transfer Out To S/D Board									5,000
Transfer To General Board	6,900				2,119	8,378		17,397	10,157
	$ 24,453	$ 23,347	$ 2,680	$ 16,197	$ 17,662	$ 16,606	$ 24,713	$125,658	$170,421

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4
SUB-DISTRICT BOARD PROGRAM
STATEMENT OF OPERATIONS
For the year ended March 31, 2008

	2008	2007
REVENUE		
Municipal Levies	$ 16,006	$ 13,167
Province of Manitoba	48,016	39,502
Manitoba Water Stewardship Fund	15,200	25,000
Agriculture and Agri-Food Canada	3,487	18,644
Fisheries and Oceans Canada		7,500
Nature Canada's Important Bird Areas Program		14,000
Manitoba Hometown Green Team		2,362
Career Focus		1,060
Eco-Action Community Funding Program		6,100
Transfer From Sub District Program		5,000
	82,709	132,335
EXPENSES		
Surface Water Management	17,141	29,795
Beneficial Management Programs	3,487	19,260
Remuneration	9,552	13,764
Other -Miscellaneous	8,206	12,989
Program Support	44,323	
Abandoned Well Sealing		5,381
Management Plan		9,931
Water Quality Monitoring Program		405
Surface Water Monitoring Program		10,270
Source Protection Planning		146
Wetland Maintenance/Conservation Agreements		19,434
Grassed Waterways		208
Transfer to General Board Program		10,752
	82,709	132,335
EXCESS OF REVENUE OVER EXPENSES	-	-
SURPLUS, BEGINNING OF YEAR	-	-
SURPLUS, END OF YEAR	-	-

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TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4
EQUIPMENT PROGRAM #1
STATEMENT OF OPERATIONS AND SURPLUS (DEFICIT)
For the year ended March 31, 2008

	2008	2007
REVENUE		
Equipment Revenue	$ 12,624	$ 18,339
	12,624	18,339
EXPENSES		
Repairs And Maintenance	10,715	21,827
License And Insurance	2,160	2,464
	12,875	24,291
EXCESS (DEFICIT) OF REVENUE OVER EXPENSES	(251)	(5,952)
SURPLUS, BEGINNING OF YEAR	2,518	8,470
SURPLUS (DEFICIT), END OF YEAR	$ 2,267	$ 2,518

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4
EQUIPMENT PROGRAM #2
STATEMENT OF OPERATIONS AND SURPLUS
For the year ended March 31, 2008

	2008	2007
REVENUE		
Equipment Revenue	$ 13,689	$ 16,641
Gain on Disposal of Equipment		550
Transfer From General Board Program		208
	13,689	17,399
EXPENSES		
Insurance And Licenses	1,914	816
Repairs And Maintenance	12,070	18,738
Small Tools	429	208
Loss on Disposal of Equipment	15	
	14,428	19,762
DEFICIT OF REVENUE OVER EXPENSES	(739)	(2,363)
SURPLUS, BEGINNING OF YEAR	28,620	30,983
SURPLUS, END OF YEAR	$ 27,881	$ 28,620

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4
EQUIPMENT RESERVE
STATEMENT OF OPERATIONS AND SURPLUS
For the year ended March 31, 2008

	2008	2007
REVENUE	-	-
EXPENSES	-	-
EXCESS OF REVENUE OVER EXPENSES	-	-
SURPLUS, BEGINNING OF YEAR	$ 32,000	$ 32,000
SURPLUS, END OF YEAR	$ 32,000	$ 32,000

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4
SCHEDULE OF COST SHARING
For the year ended March 31, 2008

	Total Expenditures	Provincial	District	Other	External
ADMINISTRATION					
Office Operation	37,271	27,953	9,318		
Remuneration	2,028	1,521	507		
Program Support	1,957	1,468	489		
Public Rels & Local Admin	1,654			1,654	
Sub Total	**42,910**	**30,942**	**10,314**	**1,654**	
ASSETS					
Program Sup. Equip/Office	26,708	20,031	6,677		
Machinery	2,985	2,239	746		
Inventory	3,621	2,716	905		
Depreciation	25,356			25,356	
Sub Total	**58,670**	**24,986**	**8,328**	**25,356**	
PUBLIC EDUCATION					
Conservation In The Classroom	6,210	4,658	1,552		
Water Festival	8,779				8,779
Oak Hammock Marsh	2,000	1,500	500		
Interpretive Area Maint.	15,969	10,329	3,443		2,197
Advertising / Promotions	10,198	7,405	2,468	325	
Annual Supper	3,204	1,680	560	964	
Website	740	555	185		
Miscellaneous	8,750	6,361	2,120	269	
Prof. Ed & Development	1,759	1,319	440		
MCDA Dues / PRBAB	3,000	2,250	750		
Grazing Tour	2,200				2,200
Program Support	42,845	32,134	10,711		
Remuneration	5,436	4,077	1,359		
Sub Total	**111,090**	**72,268**	**24,088**	**1,558**	**13,176**
SOILS					
Forage- Salinity Program	21,560	12,930	4,310		4,320
Forage-Bufferstrip Program	3,775	1,379	460	1,936	
Shelterbelt Program	2,904	530	177		2,197
Program Support	12,501	9,376	3,125		
Remuneration	5,069	3,802	1,267		
Direct Expenses	968			968	
Sub Total	**46,777**	**28,017**	**9,339**	**2,904**	**6,517**
WILDLIFE / FISHERIES					
Derksen Heide / Other	2,677	378	126	2,173	
TM Habitat Conservation Agreements	56,806	32,161	10,720		13,925
Wetland Conservation Agreements	34,712	534	178		34,000
Property Management	1,942			1,942	
Program Support	11,365	8,524	2,841		
Remuneration	1,013	760	253		
Sub Total	**108,515**	**42,357**	**14,118**	**4,115**	**47,925**

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4
SCHEDULE OF COST SHARING
For the year ended March 31, 2008

	Total Expenditures	Provincial	District	Other	External
WATER PROGRAM					
Surface Water Management	17,142	1,456	486		15,200
Abandoned Well Sealing	32,309	22,964	7,655	1,690	
Water Quality Monitoring Program	544	407	137		
Creek Mtn/Grassed Runways/Other	26,322	17,515	5,838	2,969	
Riparian Mgmt: EAEP	3,486				3,486
Beneficial Management Programs	51,458	35,161	11,721	4,576	
Water Sampling	392	294	98		
Land Management	5,445	3,112	1,037	1,296	
Program Support	44,323	33,242	11,081		
Remuneration	9,551	7,163	2,388		
Sub Total	**190,972**	**121,314**	**40,441**	**10,531**	**18,686**
TOTAL EXPENDITURE	**$ 558,934**	**$ 319,884**	**$ 106,628**	**$ 46,118**	**$ 86,304**

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4
SCHEDULE OF PROVINCIAL GRANT RECEIVABLE
For the year ended March 31, 2008

PROVINCIAL GRANT RECEIVABLE	2008	2007
Balance, Beginning Of year	$ 1,926	$ 1,706
Add: Provincial Allocation Of Expenses For Year	319,884	314,220
	321,810	315,926
Less: Grants Received	320,000	314,000
Balance, End Of Year	$ 1,810	$ 1,926

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2008

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1. ENTITY DEFINITION

The Turtle Mountain Conservation District No. 4 was incorporated under the laws of the Province of Manitoba, established primarily for the purpose of providing resource programs and planning for sustainable soil and water management. The District receives funding from the Province of Manitoba and certain municipalities and is governed by a board of directors from the various municipalities involved in the Conservation District. The District is exempt from income taxes under the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Significant accounting policies include the following:

Cash And Cash Equivalents

Cash and cash equivalents represent cash and term deposits with maturities of three months or less. Term deposits earn interest at annual rates of 3.7% (3.65% in 2007)

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method.

Property, Plant And Equipment

Property, plant and equipment are recorded at cost. Donated assets are recorded at estimated fair market value. Proceeds of disposals, less carrying values of these assets, are reported in the statements of operations as gains or losses on disposal. Amortization is provided using the straight-line method intended to amortize the cost of the assets over their estimated useful lives.

Use Of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

Revenue Recognition

Revenue is recorded in the period specified in the funding agreements entered into with government agencies and other organizations. Funding received in advance of making the related expenditures is deferred.

Risk management policies and hedging activities

Consistent with other small entities, management's risk management policies are typically performed as a part of the overall management of the entity's operations. Management is aware of risks related to these objectives through direct personal involvement with employees and outside parties. Management's close involvement in operations identifies risks and variations from expectations leading to changes in risk management activities and requirements and actions. Management has not entered into hedging transactions to manage risk. As a part of the overall management of the entity's operations management considers avoidance of undue concentration of risk, and may require collateral to mitigate credit risk.

3. ACCOUNTS RECEIVABLE

	2008	2007
Trade	**$ 675**	$ 3,831
Goods And Services Tax	**1,709**	2,283
Government of Canada - Natural Resources Canada	**3,000**	19,122
Nature Canada's Important Bird Areas	**3,500**	3,500
Province of Manitoba - MB Water Stewardship Fund	**3,520**	5,850
Province of Manitoba - Grant	**1,810**	
TD Bank - GIC Interest	**483**	305
	14,697	34,891

Accounts receivable has been determined to be all collectible; therefore, no allowance for doubtful accounts has been made.

4. PROPERTY, PLANT AND EQUIPMENT

	Balance, Beginning of Year	Additions	Disposals	Balance, End of Year
Building	$ 121,616			$ 121,616
Office Equipment	63,329	1,624		64,953
Program Support Equipment	35,150	26,148	4,585	56,713
Vehicles	88,720	867		89,587
Machinery	189,968	2,220	5,598	186,590
	498,783	30,859	10,183	519,459
ACCUMULATED AMORTIZATION				
Building	20,269	6,081		26,350
Office Equipment	45,898	5,590		51,488
Program Support Equipment	14,250	1,311		15,561
Vehicles	72,181	6,112		78,293
Machinery	166,719	(487)		166,232
	319,317	18,607		337,924
NET BOOK VALUE	$ 179,466			$ 181,535

5. ECONOMIC DEPENDENCE

Turtle Mountain Conservation District receives at least 60% of its operating revenue from the Province of Manitoba and is economically dependent on it.

6. FINANCIAL INSTRUMENTS

Financial instruments of the organization consist of cash, accounts receivable, provincial grant receivable, bank indebtedness, accounts payable and provincial grant payable. The carrying values of these financial assets and liabilities approximate their fair values due to their short term maturity or capacity for prompt liquidation.

Price risk management

The organization is exposed to currency risk, interest rate risk, and market risk. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The organization does not currently conduct transactions in or hold any foreign currency. Interest rate risk is the risk that the value of a financial instrument will change due to changes in market interest rates. The organization does not currently have any outstanding loans due or any liabilities bearing interest. Finally, market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuers or factors affecting all instruments traded in the market. The organization is not exposed to market risk because it has no financial instruments directly tied to market rates.

Credit risk management

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The organization is currently not in any position.where related parties are involved or any other such instances where they are exposed to credit risk.

Liquidity risk management

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. At this time, the organization has more than adequate current assets to cover its current liabilities, therefore liquidity risk is minimal.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. Given the organization's financial instruments are primarily short term in nature, cash flow risk is low.

7. PUBLIC SECTOR COMPENSATION DISCLOSURE ACT - BILL 57

a) Compensation paid to the board members amounted to $23,098
b) There were no members of the board receiving compensation in excess of $50,000 individually
c) There were no board members or employees receiving compensation at reportable levels

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

Financial Statements

Year Ended March 31, 2008

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

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Year Ended March 31, 2008

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THE EXCHANGE
chartered accountants LLP

AUDITORS' REPORT

To the Directors of Turtle River Watershed Conservation District #2

We have audited the statement of financial position of Turtle River Watershed Conservation District #2 as at March 31, 2008 and the statements of operations - general board fund, equipment reserve fund, net assets and cash flows for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the District as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The Exchange

chartered accountants LLP

Winnipeg, Manitoba
June 23, 2008

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E-mail info@exg.ca Website www.exg.ca

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

Statement of Financial Position

Year Ended March 31, 2008

	General Board Fund	Flood Protection Reserve Fund	Emergency Reserve Fund	SD45 Levy Reserve Fund	SD46 Levy Reserve Fund	Equipment Reserve Fund	Infrastructure Reserve 75/25	Infrastructure reserve	2008	2007
ASSETS										
CURRENT										
Cash	$ 221,917	$ 3,450	$ -	$ -	$ -	$ -	$ -	$ -	$ 225,367	$ 281,681
Accounts receivable	35,809	-	-	-	-	-	-	-	35,809	38,852
Province of Manitoba receivable *(Note 5)*	45,875	-	-	-	-	-	-	-	45,875	54,483
Prepaid expenses	1,213	-	-	-	-	-	-	-	1,213	881
Inventory *(note 2)*	124,164	-	-	-	-	-	-	-	124,164	111,639
	428,978	3,450	-	-	-	-	-	-	432,428	487,536
CAPITAL ASSETS *(Notes 2, 6)*	21,588	-	-	-	-	-	-	-	21,588	37,000
	$ 450,566	$ 3,450	$ -	$ -	$ -	$ -	$ -	$ -	$ 454,016	$ 524,536
LIABILITIES										
CURRENT										
Accounts payable	$ 6,457	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,457	$ 15,349
Prepaid levy & grant	441	-	-	-	-	-	-	-	441	113,441
Due to (from) other funds	243,160	(5,514)	(30,801)	(10,393)	(8,057)	(112,595)	(40,800)	(35,000)	-	-
	250,058	(5,514)	(30,801)	(10,393)	(8,057)	(112,595)	(40,800)	(35,000)	6,898	128,790
NET ASSETS										
Invested in capital assets	21,588	-	-	-	-	-	-	-	21,588	37,000
Internally restricted	-	8,964	30,801	10,393	8,057	112,595	40,800	35,000	246,610	205,320
Unrestricted	178,920	-	-	-	-	-	-	-	178,920	153,426
	200,508	8,964	30,801	10,393	8,057	112,595	40,800	35,000	447,118	395,746
	$ 450,566	$ 3,450	$ -	$ -	$ -	$ -	$ -	$ -	$ 454,016	$ 524,536

Paul Brunel
TRWCD Board Chairperson

Denis Maguet Denis Maguet
TRWCD Board Vice Chairperson

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2
Statement of Changes in Net Assets
Year Ended March 31, 2008

	General Board Fund	Flood Protection Reserve Fund	Emergency Reserve Fund	SD45 Levy Reserve Fund	SD46 Levy Reserve Fund	Equipment Reserve Fund	Infrastructure Reserve 75/25	Infrastructure Reserve	2008	2007
NET ASSETS - BEGINNING OF YEAR	$ 190,426	$ 9,821	$ 30,801	$ 10,393	$ 8,057	$ 95,448	$ 40,800	$ 10,000	**$ 395,746**	$ 373,737
Excess of Revenue Over Expenditures	30,485	-	-	-	-	17,147	-	-	**47,632**	21,517
Transfer (to)/from Other Funds	(24,143)	(857)	-	-	-	-	-	25,000	-	-
Inventory Adjustment	3,740	-	-	-	-	-	-	-	**3,740**	492
NET ASSETS - END OF YEAR	$ 200,508	$ 8,964	$ 30,801	$ 10,393	$ 8,057	$ 112,595	$ 40,800	$ 35,000	**$ 447,118**	$ 395,746

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

Statement of Operations - General Board Fund

Year Ended March 31, 2008

	2008	2007
REVENUE		
Municipal levies and grants	$ 164,687	$ 164,688
Province of Manitoba allocated grant, page 7	401,392	445,725
Other grants	12,263	18,617
Custom work revenue	12,476	23,499
Land owner revenue	4,131	2,564
Interest income	1,605	1,446
Other income	-	87
	596,554	656,626
EXPENSES		
Abandoned well sealings	1,194	1,934
Administration	16,740	19,615
Amortization	16,268	16,924
Bank stabilization	-	5,423
Board remuneration	21,322	19,564
Brushing and spraying	31,392	30,764
Consultant fees	61,457	42,597
Crossing repairs	12,191	6,603
Crossing replacements	32,409	66,216
Custom work	12,476	23,499
Drain maintenance	153,538	234,565
Educational activities	5,209	8,352
Forage assistance	1,339	3,801
Garage alarm and taxes	852	895
Grassed waterways	19,195	14,115
Labour crew costs	26,005	19,142
MCDA dues	3,000	3,000
Multi-resource land project	16,186	-
Off-site watering	346	-
Office rent	7,236	7,236
Plastic mulch program	-	616
Program evaluation (summer students)	5,183	5,015
Riparian fencing program	-	1,691
S.R.F.P.S.	857	857
Shed expenses	2,130	2,185
Spring run-off damages	-	12,680
Staff expenses	9,990	7,936
Wages and benefits	105,469	92,037
Write off of obsolete inventory	4,085	-
	566,069	647,262
EXCESS REVENUES OVER EXPENSES	$ 30,485	$ 9,364

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

Statement of Operations - Equipment Reserve Fund

Year Ended March 31, 2008

	2008	2007
REVENUE		
Truck	$ 22,359	$ 17,534
Quad	4,133	4,393
Tractor	7,600	7,450
Labour crew tools and equipment	3,242	2,708
Trailer	455	1,253
	37,789	33,338
EXPENSES		
Truck	15,153	17,912
Quad	871	777
Tractor	2,675	1,238
Labour crew tools and equipment	1,429	491
Trailer	514	767
	20,642	21,185
EXCESS OF REVENUE OVER EXPENSES	$ 17,147	$ 12,153

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

Statement of Cash Flows

Year Ended March 31, 2008

	2008	2007
OPERATING ACTIVITIES		
Excess of revenue over expenses	$ 47,632	$ 21,517
Non-cash items included in expenses:		
Amortization	16,268	16,924
Inventory adjustment	3,740	492
	67,640	38,933
Changes in non-cash working capital components:		
Accounts receivable	3,045	47,463
Province of Manitoba receivable	8,608	(45,725)
Prepaid expenses	(842)	1,298
Inventory	(12,525)	(7,285)
Accounts payable	(16,299)	15,288
Labour crew surcharge	7,915	(5,245)
Prepaid grants and levies	(113,000)	110,687
	(123,098)	116,481
Cash flow from (used by) operating activities	(55,458)	155,414
INVESTING ACTIVITY		
Purchase of capital assets - net	(856)	(823)
Cash flow used by investing activity	(856)	(823)
INCREASE (DECREASE) IN CASH FLOWS	(56,314)	154,591
CASH - BEGINNING OF YEAR	281,681	127,090
CASH - END OF YEAR	$ 225,367	$ 281,681

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

Schedule of Provincial Contributions

Year Ended March 31, 2008

	Total	% Shareable Prov / District or External	Provincial Share	District & Other Share
Program Management				
Office Operation	$ 24,828	75/25	$ 18,621	$ 6,207
Administrative Salaries	22,992	75/25	17,244	5,748
Public Education				
Demo Days / Tours	739	75/25	554	185
Advertising / Signage	2,444	75/25	1,833	611
Educational Activities	2,026	75/25	1,520	506
MCDA Dues	3,000	75/25	2,250	750
Board Remuneration	21,322	75/25	15,992	5,330
Wildlife/Fisheries				
Habitat Preservation	16,186	29/71	4,639	11,547
Summer Students	5,183	42/58	2,190	2,993
Soils				
Forage Seed Assistance	1,339	75/25	1,004	335
Grassed Waterway	19,195	75/25	14,396	4,799
Offsite watering	346	75/25	260	86
Water				
Project Monitoring & Evaluation	26,193	75/25	19,645	6,548
Abandoned Well Sealing	1,194	75/25	896	299
General maintenance	186,674	75/25	140,006	46,668
Brushing	31,392	75/25	23,544	7,848
S.R.F.P.S.	857	0/100	-	857
Eng. Surveys & Consulting	40,562	75/25	30,422	10,140
Crossings				
Repairs	12,191	75/25	9,143	3,048
Replacement	65,545	75/25	49,159	16,386
Eng. Surveys & Consulting	20,895	75/25	15,671	5,224
TRWCD Compound	28,135	75/25	21,101	7,034
Other				
Inventory Sales	(38,628)	75/25	(28,971)	(9,657)
Inventory Purchases	56,168	75/25	42,126	14,041
Consignment Sale Revenue	(2,470)	75/25	(1,853)	(618)
Custom Work	12,476	0/100	-	12,476
Amortization	16,268	0/100	-	16,268
	$ 577,052		$ 401,392	$ 175,659

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

Notes to Financial Statements

Year Ended March 31, 2008

1. INCORPORATION & COMMENCEMENT OF OPERATIONS

Turtle River Watershed Conservation District #2 was incorporated under the laws of the Province of Manitoba and commenced operations in 1976.

Turtle River Watershed Conservation District #2 operates under the authority of the Conservation Districts Act. The objective for the District under the Act is to provide for the conservation control and prudent use of resources.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgement. The financial statements have, in management's opinion, been properly prepared within the reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

Capital Assets

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Office Equipment	15%	straight-line method
Computer Equipment	20%	straight-line method
Storage Yard Fence	5%	straight-line method
Tools, Equipment & Tent	20%	straight-line method
Building	4%	straight-line method
Truck & Quad	25%	straight-line method
Tractor	20%	straight-line method
Leasehold improvements		amortized over term of lease

Revenue Recognition

The financial statements have been prepared following the deferral method of accounting for contributions. Restricted contributions are recognized in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received.

3. CHANGE IN ACCOUNTING POLICY

The Accounting Standards Board has issued two new Handbook sections on Financial Instruments that affect the District, Section 3855 and Section 3861. Section 3855 Financial Instruments – Recognition and Measurement addresses when financial instruments should be recognized and how they should be measured. Section 3861 Financial Instruments – Disclosure and Presentation provides standards for how financial instruments should be classified on financial statements and the disclosure requirements.

The District has adopted both of the sections for the fiscal year ended March 31, 2008. Cash, short term investments, accounts receivable and accounts payable are classified as held-for-trading and are measured at their fair value.

Adoption of these standards resulted in no adjustments to these financial statements.

4. FINANCIAL INSTRUMENTS

The District's financial instruments consist of cash, short term investments, accounts receivable and accounts payable. Unless otherwise noted, it is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

5. PROVINCE OF MANITOBA RECEIVABLE

	2008	2007
Balance, beginning of year	$ 54,483	$ 8,758
Add: Allocated to watershed programs - General Board	401,392	445,725
	-	454,483
Less: Grants received	(410,000)	(400,000)
Balance, end of year	$ 45,875	$ 54,483

6. CAPITAL ASSETS

	2008		2007	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Building	$ 28,213	$ 20,831	$ 28,213	$ 19,703
Fence	4,863	4,863	4,863	4,863
L.C. Water Tank	452	452	452	396
Leasehold improvements	7,143	7,143	7,143	7,143
Office Equipment & Computers	51,423	49,755	51,423	47,514
Office Garage	12,572	2,085	12,572	1,582
Pipeline Plough	13,905	13,673	13,905	10,892
Plastic Mulcher	1,469	1,469	1,469	1,469
Quad	8,293	8,120	8,293	6,047
Tent	500	367	500	267
Tools	25,711	24,912	24,855	24,513
Tractor, Drill, Sprayer	55,590	55,448	55,590	55,326
Trailers	5,313	5,313	5,313	5,313
Trucks	83,303	82,731	83,303	75,866
	$ 298,750	$ 277,162	$ 297,894	$ 260,894
Net book value	$ 21,588		$ 37,000	

7. LAND ACQUISITIONS

In accordance with district policy, land acquisitions are expensed in the year they are purchased. For information purposes, inventories of land parcels owned by the district are as follows:

Description	Purchase Date	Purchase Price
N 1/2 of 31-23-17WPM	Dec 19/86	$ 21,500
SE 1/4 of 27-20-14WPM	Mar 14/88	7,500
SW 1/4 of 19-22-17WPM	June 26/89	20,000
NE 1/4 of 22-20-14WPM	April 8/91	8,800
SW 1/4 of 24-23-18WPM	Aug 10/90	22,500
S 1/2 of 22-22-14WPM	May 2/89	13,000
NE 1/4 of 1-22-14WPM	Mar 8/91	10,000
SW 1/4 of 8-24-17WPM	Apr 27/92	14,500
PT of SE of 20-24-17WPM	Sept 8/94	4,132
NW of 30-23-17WPM	1996	17,500
SE 1/4 of 25-23-18WPM	May 1/96	17,500
NE 1/4 of 25-23-18WPM	1997	25,000
NW 1/4 of 25-25-18WPM	1997	25,000
PT of N 1/2 of 24-23-18WPM	1998	10,700

8. LEASE COMMITMENTS

The District leases premises under a long term lease that expires on November 30, 2008. Under the lease, the District is required to pay a base rent of $7,236 per year. In addition to the above base rent, the District must pay for its proportionate share of utilities, property taxes, maintenance and other related costs for the leased premises.

The District leases a photocopier under a long term lease that expires on December 10, 2010. Under the lease, the District is required to pay $1,686 annually.

9. COMPARATIVE FIGURES

Comparative figures were audited by another firm of chartered accountants. Some of the comparative figures have been reclassified to conform to the current year's presentation.

UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT NO. 8

FINANCIAL STATEMENTS

For the year ended March 31, 2008

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AUDITORS' REPORT

To the Board of Directors:
Upper Assiniboine River Conservation District No. 8
Miniota, Manitoba

We have audited the Statement of Financial Position of **Upper Assiniboine River Conservation District No. 8** as at **March 31, 2008** and the statements of revenue, expenditure and surplus and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at **March 31, 2008** and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit opinion does not extend to the Schedule of Provincial Contributions presented by the District.

Sensus
PARTNERSHIP OF
CHARTERED ACCOUNTANTS

Russell, Manitoba
May 13, 2008

UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT NO. 8
STATEMENT OF FINANCIAL POSITION
As at March 31, 2008

	2008	2007
ASSETS		
CURRENT		
Cash	$ 144,825	$ 182,505
Accounts receivable	8,543	22,516
GST receivable	6,468	4,307
Provincial grant receivable (Note 11)	24,765	1,239
Inventories (Note 2 and 3)	10,203	15,741
Prepaid expenses	4,028	6,552
	198,832	232,860
PROPERTY, PLANT AND EQUIPMENT (Notes 2 and 4)	402,673	326,127
OTHER (Note 5)	5,904	5,363
	$ 607,409	$ 564,350
LIABILITIES		
CURRENT		
Accounts payable (Note 6)	$ 57,139	$ 101,389
SURPLUS		
INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT (Note 8)	402,673	326,127
SURPLUS	147,597	136,834
	550,270	462,961
	$ 607,409	$ 564,350

Ron Kostesky

Vice Chairman

UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT NO. 8
STATEMENT OF REVENUE, EXPENDITURE AND SURPLUS
For the year ended March 31, 2008

	2008	2007
REVENUE		
Grant - Province of Manitoba	$ 283,526	$ 250,510
External funding	38,906	90,271
Municipal grants (Note 9)	92,458	91,931
Landowner	13,583	9,027
Interest	14,193	10,389
Truck revenue	7,453	7,267
	450,119	459,395
EXPENDITURES		
Projects and programs	55,473	50,377
Board truck	3,294	4,497
Program management	30,339	35,190
Public education	70,533	114,938
Soil programs	15,813	58,156
Water Management	184,474	169,141
Wildlife	2,884	
	362,810	432,299
REVENUE OVER EXPENDITURES	87,309	27,096
OTHER ITEM		
Gain on disposal of property, plant and equipment		3,220
Investment in property, plant and equipment	(76,546)	(7,786)
	(76,546)	(4,566)
EXCESS OF REVENUE OVER EXPENDITURES FOR YEAR	10,763	22,530
SURPLUS, BEGINNING OF YEAR	136,834	114,304
SURPLUS, END OF YEAR	$ 147,597	$ 136,834

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UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT NO. 8
STATEMENT OF CASH FLOWS
For the year ended March 31, 2008

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	$ 48,229	$ 173,883
Cash paid to suppliers and employees	(398,999)	(503,455)
Interest received	14,193	10,389
Grants received	375,984	342,441
	39,407	23,258
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(76,546)	(7,766)
Proceeds on disposal of property, plant and equipment		3,220
Change in other long-term assets	(541)	(443)
	(77,087)	(5,009)
NET INCREASE (DECREASE) IN CASH	(37,680)	18,249
CASH, BEGINNING OF YEAR	182,505	164,256
CASH, END OF YEAR	$ 144,825	$ 182,505

UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT NO. 8
NOTES TO FINANCIAL STATEMENTS
For the year ended March 31, 2008

1. ENTITY DEFINITION

The Upper Assiniboine River Conservation District No. 8 (the "organization") was formed in 1996 to aid in the conservation of natural resources in the Municipalities of Archie, Birtle, Ellice, Hamiota, Miniota, Rossburn, Shoal Lake, Wallace and Woodworth and the encompassing Towns and Villages.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The following are considered to be the more significant policies:

Inventories

Inventory is valued at the lower of cost and net realizable value determined by the first-in, first-out method.

Property, plant and equipment

Property, plant and equipment are recorded at cost and are expensed in the year of acquisition or disposal. Property, plant and equipment are then subsequently recorded as an asset with the offset being the investment in property, plant and equipment. The organization is no longer recording amortization for property, plant and equipment as is appropriate for not for profit organizations of this size.

Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Risk management policies and hedging activities

Consistent with other small entities, management's risk management policies are typically performed as a part of the overall management of the entity's operations. Management is aware of risks related to these objectives through direct personal involvement with employees and outside parties. Management's close involvement in operations identifies risks and variations from expectations leading to changes in risk management activities and requirements and actions. Management has not entered into hedging transactions to manage risk. As a part of the overall management of the entity's operations management considers avoidance of undue concentration of risk, and may require collateral to mitigate credit risk.

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3. INVENTORIES

	2008	2007
Project supplies	$ 10,203	$ 15,741

4. PROPERTY, PLANT AND EQUIPMENT

	Balance, Beginning of Year	Additions	Disposals	Balance, End of Year
Office equipment	$ 53,976	856		$ 54,832
Automotive equipment	64,829			64,829
Trailer equipment	5,790			5,790
Surveying equipment	16,643	58,867		75,510
Water testing equipment	6,036			6,036
Pipeline plow	5,981			5,981
Watering demonstration system	21,615	1,295		22,910
Aerial mapping	162,041			162,041
Honda TRX 500 CC Quad		7,028		7,028
Pipeline Plow 2003		8,500		8,500
	336,911	76,546		413,457
ACCUMULATED AMORTIZATION				
Office equipment	8,393			8,393
Surveying equipment	2,073			2,073
Water testing equipment	318			318
	10,784			10,784
NET BOOK VALUE	$ 326,127			$ 402,673

5. OTHER ASSETS

	2008	2007
Vanguard Credit Union Ltd. surplus shares	$ 1,637	$ 1,403
Twin Valley Coop patronage equity	4,267	3,960
	$ 5,904	$ 5,363

6. ACCOUNTS PAYABLE

	2008	2007
Trade	$ 5,189	$ 35,808
Deferred revenue	51,950	65,581
	$ 57,139	$ 101,389

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7. ECONOMIC DEPENDENCE

Upper Assiniboine River Conservation District receives at least 60% of its operating revenue from the Province of Manitoba and is economically dependent on it.

8. INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT

The property, plant and equipment expenditures are accounted for on the balance sheet with an offsetting entry to the Investment in Property, Plant and Equipment account.

9. MUNICIPAL GRANTS

Grants received from local governments involved in the conservation district are the following:

	2008	2007
R.M. of Archie	**$ 6,464**	$ 6,464
R.M. of Birtle	**11,204**	11,236
R.M. of Ellice	**6,109**	6,118
R.M. of Hamiota	**9,812**	9,815
R.M. of Miniota	**11,908**	11,908
R.M. of Rossburn	**8,841**	8,347
R.M. of Shoal Lake	**7,872**	7.876
R.M. of Wallace	**14,300**	14,296
R.M. of Woodworth	**13,238**	13,190
Town of Birtle	**407**	407
Town of Rossburn	**259**	260
Town of Shoal Lake	**1,106**	1,110
Village of Elkhorn	**258**	225
Village of Hamiota	**488**	487
Village of St. Lazare	**192**	192
	$ 92,458	$ 91.931

10. FINANCIAL INSTRUMENTS

Financial instruments of the organization consist of cash, accounts receivable, provincial grant receivable, and accounts payable. The carrying values of these financial assets and liabilities approximate their fair values due to their short term maturity.

Price risk management

The organization is exposed to currency risk, interest rate risk, and market risk. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The organization does not currently conduct transactions in or hold any foreign currency. Interest rate risk is the risk that the value of a financial instrument will change due to changes in market interest rates. The organization does not currently have any outstanding loans due or any liabilities bearing interest. Finally, market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuers or factors affecting all instruments traded in the market. The organization is not exposed to market risk because they currently have no financial instruments tied to market rates.

Credit risk management

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The organization is currently not in any position where related parties are involved or any other such instances where they are exposed to credit risk.

Liquidity risk management

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. At this time, the organization has more than adequate current assets to cover its current liabilities, therefore liquidity risk is minimal.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. Given the organization's financial instruments are primarily short term in nature, cash flow risk is low.

11. PROVINCIAL GRANT RECEIVABLE

	2008	2007
BALANCE, BEGINNING OF YEAR	**$ 1,239**	$ 729
Add: Provincial allocation of expenses for year	**283,526**	250,510
	284,765	251,239
Less: Grant received	**260,000**	250,000
BALANCE, END OF YEAR	**$ 24,765**	$ 1,239

UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT NO. 8

NOTES TO FINANCIAL STATEMENTS

For the year ended March 31, 2008

12. CHANGE IN ACCOUNTING POLICY

The organization adopted the provisions of Section 3855, Financial Instruments - Recognition and Measurement and Section 3861, Financial Instrument - Disclosure and Presentation on January 1, 2007, which address the classification, recognition, and measurement of the financial instruments in the financial statements. There has been no impact to the surplus of the organization as a result of adopting these standards

13. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform with the current year's presentation

UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT NO.8

SCHEDULE OF PROVINCIAL CONTRIBUTIONS

For the year ended March 31, 2008

	Total Expenditures	Provincial	Levies	Landowner	External
PROJECTS AND PROGRAMS					
Program evaluation	6,383	4,787	1,596		
Management planning	35,378	26,534	8,845		
IWMP	13,712				13,712
	55,473	31,321	10,440		13,712
PROGRAM MANAGEMENT					
Program support/planning	4,576	3,432	1,144		
Office operation	25,763	16,994	5,665		3,104
	30,339	20,426	6,809		3,104
PUBLIC EDUCATION					
Advertising/meetings/courses	13,333	10,000	3,333		
MCDA dues	3,000	2,250	750		
General education	54,200	33,553	11,184		9,463
	70,533	45,802	15,267		9,463
SOIL PROGRAMS					
Shelterbelts	4,170	1,550	517	2,103	
General soils	11,643	5,159	1,719	2,305	2,460
	15,813	6,709	2,236	4,408	2,460
WATER MANAGEMENT					
Abandoned wells	14,904	10,480	3,493	931	
Livestock crossing	21,931	11,096	3,699	7,136	
Stream bank stabilization	4,393	3,295	1,098		
Small dams/shale traps/other	68,359	42,814	14,271	1,107	10,167
Alternative watering system	70,816	53,112	17,704		
Maintenance	4,071	3,053	1,018		
	184,474	123,851	41,282	9,174	10,167
WILDLIFE					
Norbury project	2,884	2,163	721		
	2,884	2,163	721		
BOARD TRUCK					
Board truck expense	**3,294**				3,294
	3,294				3,294
SUBTOTAL	**362,810**	**230,272**	**76,756**	**13,582**	**42,200**
ASSETS PURCHASED					
Survey equipment	58,867	44,150	14,717		
General assets	17,679	13,259	4,420		
Inventory adjustment	(5,538)	(4,153)	(1,385)		
	71,008	53,256	17,751		
TOTAL EXPENDITURE	**433,817**	**283,526**	**94,509**	**13,582**	**42,200**

Appendix Q

WEST SOURIS RIVER CONSERVATION DISTRICT

FINANCIAL STATEMENTS

For the year ended March 31, 2008

WEST SOURIS RIVER CONSERVATION DISTRICT
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AUDITORS' REPORT

To the Board of Directors:
West Souris River Conservation District
Reston, Manitoba

We have audited the balance sheet of **West Souris River Conservation District** as at **March 31, 2008** and the statement of revenue, expenditures and surplus and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at **March 31, 2008** and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit opinion does not extend to the Schedules of Cost Sharing and Provincial Grant Receivable presented by the District.

Sensus
PARTNERSHIP OF
CHARTERED ACCOUNTANTS

Brandon, Manitoba
June 29, 2008

WEST SOURIS RIVER CONSERVATION DISTRICT
BALANCE SHEET
As at March 31, 2008

	2008	2007
ASSETS		
CURRENT		
Cash	$ 87,721	$ 58,458
Accounts receivable (Note 3)	69,087	44,530
Inventories (Note 2)	1,818	2,636
Prepaid expenses	7,446	
	166,072	105,624
INVESTMENT (Note 2)	22,759	22,667
PROPERTY, PLANT AND EQUIPMENT (Notes 2 & 4)	288,965	198,244
PATRONAGE DIVIDENDS	2,057	1,873
	$ 479,853	$ 328,408
LIABILITIES		
CURRENT		
Bank indebtedness (Note 5)	$ 57,435	$ 19,871
Accounts payable	29,620	30,594
Deferred revenue	90,927	66,733
Current portion of long term debt (Note 6)	12,940	14,567
	190,922	131,765
LONG TERM DEBT (Note 6)	65,220	78,158
	256,142	209,923
SURPLUS		
SURPLUS	91,894	62,635
INTERNALLY RESTRICTED (Note 13)	109,220	32,720
RESTRICTED FOR BURSARY PURPOSES (Note 14)	22,597	23,130
	223,711	118,485
	$ 479,853	$ 328,408

Approved on Behalf of the Board:

WEST SOURIS RIVER CONSERVATION DISTRICT
STATEMENT OF REVENUE, EXPENDITURES AND SURPLUS
For the year ended March 31, 2008

	2008	2007
REVENUE		
Grants (Note 9)	$ 304,414	$ 280,188
Municipal Levies (Note 11)	76,984	77,027
Programs	20,084	9,844
Other	8,199	7,193
Equipment Revenue	2,935	3,700
Interest and Patronage allocations	2,532	1,728
Employment Projects		525
	415,148	380,205
GENERAL AND ADMINISTRATION EXPENDITURES		
Interest Expense	79	45
Financing Expense	13,724	7,130
MCDA Dues	3,250	3,000
Office	15,584	16,103
Professional Fees	1,964	1,814
Property Taxes	282	283
Utilities	7,470	7,686
Wages and Benefits	15,826	11,613
	58,179	47,674
PROGRAM DELIVERY COSTS		
Public Relations / Advertising	34,352	15,384
Board Remuneration	9,274	5,418
Project Support / Planning	236	965
Public Education	25,557	27,061
Seminars and Conferences	15,544	8,717
Sub-District Programs	207,968	233,243
GIS resource management		7,690
Oak Lake aquifier	34,779	16,712
	327,710	315,190
TOTAL EXPENSES	385,889	362,864
EXCESS OF REVENUES OVER EXPENDITURES	29,259	17,341
NET INCOME (LOSS)	29,259	17,341
SURPLUS, BEGINNING OF YEAR	62,635	45,294
SURPLUS, END OF YEAR	$ 91,894	$ 62,635

WEST SOURIS RIVER CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended March 31, 2008

1. ENTITY DEFINITION

The West Souris Conservation District was incorporated under the laws of the Province of Manitoba, established primarily for the purpose of providing programs and education for the conservation of soil, water and wildlife. The district receives funding from the Province of Manitoba and certain municipalities and is governed by a board of directors from the various municipalities involved in the Conservation District. The District is exempt from income taxes under the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and includes the following significant accounting policies:

Inventories

Inventory is valued at the lower of cost and net realizable value determined by the first-in, first-out method.

Investment

The investment consists of a term deposit with the Virden Credit Union that matures on September 17, 2012, bearing interest of 5.25%.

Property, plant and equipment

Property, plant, and equipment are recorded at cost. The organization is no longer recording amortization for property, plant, and equipment as is considered appropriate for its size of not for profit organization.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

Revenue Recognition

West Souris River Conservation District follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Risk management policies and hedging activities

Consistent with other small entities, management's risk management policies are typically performed as a part of the overall management of the entity's operations. Management is aware of risks related to these objectives through direct personal involvement with employees and outside parties. Management's close involvement in operations identifies risks and variations from expectations leading to changes in risk management activities and requirements and actions. Management has not entered into hedging transactions to manage risk. As a part of the overall management of the entity's operations management considers avoidance of undue concentration of risk, and may require collateral to mitigate credit risk.

3. ACCOUNTS RECEIVABLE

	2008	2007
Trade	**$ 63,814**	$ 38,005
Provincial grant (Note 16)	**1,573**	3,418
GST	**2,892**	3,107
Municipal Grant Receivable	**808**	
	$ 69,087	$ 44,530

4. PROPERTY, PLANT AND EQUIPMENT

	Balance, Beginning of Year	**Additions**	**Disposals**	**Balance, End of Year**
Buildings	$ 129,338			$ 129,338
Equipment - self propelled	112,473	$ 1,391		113,864
Equipment - pull-type	41,155	82,834		123,989
Equipment - office	98,978	6,496		105,474
	381,944	90,721		472,665
Buildings	38,543			38,543
Equipment - self propelled	68,357			68,357
Equipment - pull-type	30,567			30,567
Equipment - office	46,233			46,233
	183,700			183,700
BOOK VALUE	$ 198,244			$ 288,965

5. BANK INDEBTEDNESS

Bank indebtedness includes an operating loan from the Virden Credit Union with an authorized limit of $30,000. The total bank indebtedness amounts to 57,435.13, bearing interest at prime. The prime rate of interest at March 31, 2008 was 6%.

The balance on the line of credit in 2008 was in excess of the authorized limit as a result of the timing of deposits and cheques clearing.

6. LONG TERM DEBT

	2008	2007
Virden Credit Union - Note payable secured by a truck has been paid in full as of June 2007.		$ 2,444
RM of Pipestone - debenture payable in annual instalments of $11,987 including interest at 7.625%. It is secured by land and buildings and is due December 2014.	$ 63,221	69,880
Virden Credit Union - note payable in monthly instalments of $560 bearing interest at 7.0%, loan secured by a truck and is due August 2010.	14,939	20,401
	78,160	92,725
Less: current portion	12,940	14,567
	$ 65,220	$ 78,158

Principal payments due in the next five years are as follows:

2009	$ 13,286
2010	13,486
2011	14,074
2012	14,507
2013	15,389
Subsequent	7,418
	$ 78,160

7. STATEMENT OF CASH FLOWS

A Statement of Cash Flows has not been provided as it would not provide any further information to the users of the financial statements.

8. ECONOMIC DEPENDENCE

West Souris River Conservation District receives at least 60% of its operating revenue from the Provincial Government and is economically dependent on it.

9. GRANTS

Grants received from local government involvement in the conservation district were the following:

	2008	2007
Province of Manitoba - Manitoba Water Stewardship Branch	**$ 215,616**	$ 201,050
Rural Water Development Program	**42,000**	
PFRA	**22,395**	15,790
Tundra Education Grant	**19,302**	4,003
Fisheries Enhancement Grant	**3,100**	24,345
Action 21 - Grazing Project Grant	**801**	
Reston Area Foundation	**1,200**	
National Water Supply		35,000
	$ 304,414	$ 280,188

10. REGISTERED CHARITY

The Conservation District is registered as a charitable organization under the Income Tax Act (the "Act") and as such is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, the West Souris River Conservation District must meet certain requirements under the Act. In the opinion of management, these requirements have been met. There is no change to the GST method of reporting and the rebate allowed still falls under municipal government at 100%.

11. MUNICIPAL LEVIES

	2008	2007
Rural Municipality of Pipestone	$ 19,625	$ 18,184
Rural Municipality of Edward	13,033	12,074
Rural Municipality of Sifton	12,664	11,732
Rural Municipality of Albert	12,098	11,209
Rural Municipality of Arthur	8,500	7,879
Rural Municipality of Cameron	3,308	3,068
Rural Municipality of Wallace	3,106	2,881
Cost Share RMs	4,650	10,000
	$ 76,984	$ 77,027

12. FINANCIAL INSTRUMENTS

Financial instruments of the organization consist of cash, accounts receivable, provincial grant receivable, bank indebtedness, accounts payable and provincial grant payable. The carrying values of these financial assets and liabilities approximate their fair values due to their short term maturity or capacity for prompt liquidation.

Price risk management

The organization is exposed to currency risk, interest rate risk, and market risk. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The organization does not currently conduct transactions in or hold any foreign currency. Interest rate risk is the risk that the value of a financial instrument will change due to changes in market interest rates. The organization does not currently have any outstanding loans due or any liabilities bearing interest. Finally, market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuers or factors affecting all instruments traded in the market. The organization is not exposed to market risk because it has no financial instruments directly tied to market rates.

Credit risk management

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The organization is currently not in any position where related parties are involved or any other such instances where they are exposed to credit risk.

Liquidity risk management

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. At this time, the organization has more than adequate current assets to cover its current liabilities, therefore liquidity risk is minimal.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. Given the organization's financial instruments are primarily short term in nature, cash flow risk is low.

13. INTERNALLY RESTRICTED

Internally restricted net assets are derived from the donation of equipment to the conservation district from a previous organization.

14. RESTRICTED FOR BURSARY PURPOSES

	2008	2007
Balance - beginning of year	**$ 23,130**	$ 23,120
Add: Interest	**467**	1,010
	23,597	24,130
Less: Scholarships paid	**1,000**	1,000
Balance - end of year	**$ 22,597**	$ 23,130

The principal portion of the bursary is restricted, only interest earned on the principal amount may be paid out as bursaries.

15. CHANGE IN ACCOUNTING POLICY

Effective for the 2008 year end, the board has made an unanimous decision to adopt a policy to no longer amortize the property, plant, and equipment. This change has been chosen to be applied prospectively. The net effect to the 2006 financial statements is a decrease in expenses of $33,527 and an overall decrease in the deficiency of revenues over expenditures.

16. PUBLIC SECTOR COMPENSATION DISCLOSURE ACT - BILL 57

a) Compensation paid to the board members amounted to $5,380
b) There were no members of the board receiving compensation in excess of $50,000 individually
c) The following officers or employees received compensation in excess of $50 000 for the year ended 31st December 2007: Glen Campbell - $52,080

17. PROVINCIAL GRANT RECEIVABLE/PAYABLE

	2008	2007
Grant - Province of Manitoba	**$ 217,000**	$ 200,000
Less: Prior year receivable	**3,418**	2,365
GRANT RECEIVED	**213,582**	197,635
Less: Provincial allocation	**215,156**	201,053
RECEIVABLE - PROVINCE OF MANITOBA	**$ 1,574**	$ 3,418

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WEST SOURIS RIVER CONSERVATION DISTRICT
SCHEDULE OF COST SHARING
FOR THE MONTH ENDED March 31st, 2008

	REVISED BUDGE'	TOTAL EXPENSES	PROVINCIAL	DISTRICT		EXTERNAL	
				Levies	Other		
ADMINISTRATION							
Office Operation	37,560.00	40,149.66	21,464.09	7,925.49	-	10,760.08	
	$ 37,560.00	**$ 40,149.66**	**$ 21,464.09**	**$ 7,925.49**	**$ -**	**$ 10,760.08**	**9.6%**
ASSETS							
Office Equip & Furniture	3,753.00	7,485.68	4,714.26	1,571.42	-	1,200.00	
Program Support Equip	10,437.00	13,116.97	6,982.76	2,327.59	-	3,806.62	
New Office	12,000.00	13,594.52	10,195.89	3,398.63	-	-	
Vehicles	9,334.00	9,302.01	6,976.51	2,325.50	-	-	
	$ 35,524.00	**$ 43,499.18**	**$ 28,869.42**	**$ 9,623.14**	**$ -**	**$ 5,006.62**	**10.4%**
PUBLIC EDUCATION							
Pub Ed & Awareness	88,000.00	88,818.30	48,468.88	17,318.95	-	23,030.47	
Canupawakpa Trail	6,800.00	6,800.00	5,100.00	1,700.00	-	-	
	$ 94,800.00	**$ 95,618.30**	**$ 53,568.88**	**$ 19,018.95**	**$ -**	**$ 23,030.47**	**22.9%**
SOILS							
Forage for Problem Soils	6,519.95	7,484.59	5,613.44	1,871.15	-	-	
Shelterbelts	55,335.68	57,138.06	37,362.27	12,607.56	-	7,168.25	
Pasture Programs	3,000.00	2,035.35	925.59	308.53	-	801.23	
	$ 64,855.63	**$ 66,658.00**	**$ 43,901.30**	**$ 14,787.24**	**-**	**$ 7,969.48**	**16.0%**
WILDLIFE							
Wildlife Problems	-	-	-	-	-	-	
	$ -	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
WATER							
Water Supply (Wells)	14,666.67	11,389.90	8,542.43	1,375.48	1,472.00	-	
Water Quality Testing	16,500.00	11,775.34	3,581.36	1,193.79	-	7,000.16	
Grassed Waterways	640.38	800.00	600.00	200.00	-	-	
Riparian Management	65,979.33	67,636.71	43,415.03	14,471.68	-	9,750.00	
Abandoned Wells	3,500.00	1,640.00	1,230.00	410.00	-	-	
Inventory & Investigator	309,866.67	42,900.00	675.00	225.00	-	42,000.00	
	$ 411,153.05	**$ 136,141.95**	**$ 58,043.82**	**$ 17,875.95**	**$ 1,472.00**	**$ 58,750.16**	**32.7%**
WATERSHED PLANNING							
Watershed Planning	75,000.00	34,806.70	9,308.85	3,102.95	-	22,394.90	
	$ 75,000.00	**$ 34,806.70**	**$ 9,308.85**	**$ 3,102.95**	**-**	**$ 22,394.90**	**8.3%**
TOTAL EXPENDITURES	**$ 718,892.68**	**$ 416,873.79**	**$ 215,156.36**	**$ 72,333.72**	**$ 1,472.00**	**$ 127,911.71**	**100%**
			51.6%	17.4%	0.4%	30.7%	

SCHEDULE OF PROVINCIAL GRANT RECEIVABLE/PAYABLE

Less, 2006-2007 Provincial Grant Receivable	$ (3,418.00)
PROVINCIAL GRANT, 2007-2008	217,000.00
	213,582.00
Less, 2006/2008 Allocated Grant (spent)	215,156.36
PROVINCIAL GRANT REMAINING	**$ 1,574.36**

2007/2008 Municpal Levy	**$ 72,333.73**

WHITEMUD WATERSHED CONSERVATION DISTRICT

FINANCIAL STATEMENTS

MARCH 31, 2008

WHITEMUD WATERSHED CONSERVATION DISTRICT

MARCH 31, 2008

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THE EXCHANGE
chartered accountants LLP

AUDITORS' REPORT

To the Members of the Board of
Whitemud Watershed Conservation District
Neepawa, Manitoba

We have audited the balance sheet of Whitemud Watershed Conservation District as at March 31, 2008 and the statements of operations and surplus for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the District as at March 31, 2008 and the results of its operations and the changes in its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit opinion does not extend to the Schedule of Cost-Sharing presented by the District.

The Exchange

chartered accountants LLP

Winnipeg, Manitoba
April 24, 2008

WHITEMUD WATERSHED CONSERVATION DISTRICT

BALANCE SHEET
AS AT MARCH 31, 2008

	2008	2007
ASSETS		
CURRENT		
Cash and cash equivalents	$ 745,349	$ 693,402
Accounts receivable	876,018	870,673
Inventory, note 2	47,746	38,943
Prepaid expenses and deposits	6,770	4,045
	1,675,883	1,607,063
CAPITAL ASSETS, notes 2 and 3	173,961	216,717
	$ 1,849,844	$ 1,823,780
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	$ 7,010	$ 1,328
Unearned outside funding	32,241	34,186
Unearned municipal levies	37,695	82,148
	76,946	117,662
WATERSHED PROGRAMS SURPLUS		
SUB-DISTRICT PROGRAM (page 5)	69,308	69,396
GENERAL BOARD PROGRAM (page 6)	47,142	29,679
EQUIPMENT PROGRAM (page 7)	243,793	227,235
INVENTORY PROGRAM (page 8)	29,566	24,859
ROSEDALE FARM PROGRAM (page 9)	9,662	2,706
PR/PTH CROSSING RESERVE (page 10)	767,479	765,994
CMRM LTD. IN TRUST (page 11)	31,142	30,792
EMERGENCY RESERVE	30,000	30,000
SICK LEAVE RESERVE	18,736	18,633
INFRASTRUCTURE PROGRAM (page 12 and 13)	509,004	495,079
U-COUNT RESERVE	1,345	1,345
CONSERVATION AGREEMENT RESERVE FUND	11,200	8,400
WWCD LEGACY PROGRAM RESERVE FUND	3,000	2,000
DUGOUT/WATER TRANSFER EQUIPMENT PROGRAM (page 14)	1,521	-
	1,772,898	1,706,118
	$ 1,849,844	$ 1,823,780

LEASE COMMITMENT, note 4

APPROVED BY THE BOARD:

______________________ Director

______________________ Director

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS - SUB-DISTRICT PROGRAM
YEAR ENDED MARCH 31, 2008

	Willowbend Creek #35	Westbourne Drain #36	Squirrel Creek #37	Pine Creek #38
REVENUE				
Municipal levies	$ 21,125	$ 28,463	$ 15,774	$ 18,880
Province of Manitoba	54,419	45,457	37,338	59,092
Other grants	-	300	-	-
Surveys in kind	-	-	-	86
Infrastructure reserve	-	-	2,704	-
	75,544	74,220	55,816	78,058
EXPENDITURES				
Channel maintenance				
Grassed waterways	-	-	-	-
Miscellaneous	737	1,112	670	1,439
Silt removal	12,712	17,269	3,300	43,206
Vegetation control	40,393	24,487	12,518	19,158
Conservation Agreement Fund	350	350	350	350
Crossings				
Repairs	10,608	9,535	10,628	8,532
Replacements	1,732	1,279	4,740	905
Infrastructure reserve	-	-	2,704	-
Infrastructure reserve account	-	8,000	3,750	6,667
Surveys	-	-	-	115
Remuneration	5,684	4,670	4,814	5,186
Water storage projects	693	2,256	13,114	362
	72,909	68,958	56,588	85,920
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	2,635	5,262	(772)	(7,862)
SURPLUS (DEFICIT), beginning of year	15,123	(3,768)	11,394	15,094
SURPLUS, end of year	$ 17,758	$ 1,494	$ 10,622	$ 7,232

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS - SUB-DISTRICT PROGRAM
YEAR ENDED MARCH 31, 2008

	Central Whitemud #39	Upper Whitemud #40	Big Grass Marsh #42	Big Grass River #43
REVENUE				
Municipal levies	$ 26,126	$ 12,354	$ 34,273	$ 53,251
Province of Manitoba	71,639	30,245	75,436	122,240
Other grants	1,638	522	-	-
Surveys in kind	345	129	173	2,717
Infrastructure reserve	5,065	-	5,328	16,536
	104,813	43,250	115,210	194,744
EXPENDITURES				
Channel maintenance				
Grassed waterways	13,691	10,325	-	-
Miscellaneous	1,009	1,329	1,769	19,372
Silt removal	7,378	939	24,026	26,138
Vegetation control	43,723	18,862	44,499	63,837
Conservation Agreement Fund	350	350	350	350
Crossings				
Repairs	13,898	3,626	19,107	25,986
Replacements	5,644	-	5,498	18,135
Infrastructure reserve	5,065	-	5,328	16,536
Infrastructure reserve account	2,825	2,825	5,825	13,667
Surveys	460	173	230	3,623
Remuneration	6,830	4,173	4,518	8,352
Water storage projects	3,346	1,071	1,165	1,165
	104,219	43,673	112,315	197,161
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	594	(423)	2,895	(2,417)
SURPLUS (DEFICIT), beginning of year	15,112	4,679	(8,121)	19,883
SURPLUS (DEFICIT), end of year	$ 15,706	$ 4,256	$ (5,226)	$ 17,466

WHITEMUD WATERSHED CONSERVATION DISTRICT

COMBINED STATEMENT OF OPERATIONS AND SURPLUS - SUB-DISTRICT PROGRAM
YEAR ENDED MARCH 31, 2008

	2008	2007
REVENUE		
Municipal levies	$ 210,246	$ 194,075
Province of Manitoba	495,866	557,405
Other grants	2,460	3,396
Surveys in kind	3,450	3,796
Infrastructure reserve	29,633	44,143
	741,655	802,815
EXPENDITURES		
Channel maintenance		
Grassed waterways	24,016	35,126
Miscellaneous	27,437	14,813
Silt removal	134,968	119,627
Vegetation control	267,477	298,912
Conservation Agreement Fund	2,800	2,800
Crossings		
Repairs	101,920	102,557
Replacements	37,933	27,342
Infrastructure reserve	29,633	44,143
Infrastructure reserve account	43,559	43,559
Superintendent's salary and expenses	-	95,891
Surveys	4,601	5,060
Water storage projects	23,172	7,990
Remuneration	44,227	40,948
	741,743	838,768
DEFICIENCY OF REVENUE OVER EXPENDITURES	(88)	(35,953)
SURPLUS, beginning of year	69,396	105,349
SURPLUS, end of year	$ 69,308	$ 69,396

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS - GENERAL BOARD PROGRAM
YEAR ENDED MARCH 31, 2008

	2008	2007
REVENUE		
Province of Manitoba	$ 212,388	$ 218,242
Municipal grants	40,000	40,000
Co-op equity	56	50
Forage program - landowner share	20,029	41,900
Gain on disposal of equipment	-	225
Individual contributions	9,066	9,256
Interest	35,343	16,274
Special project funding	4,208	10,814
Surveys in kind	5,865	1,265
	326,955	338,026
ADMINISTRATION EXPENDITURES		
Amortization	4,409	4,728
Insurance	1,806	1,906
Manager's expenses	10,727	11,871
Manager's salary	51,857	57,961
Office supplies	21,362	23,772
Professional fees	2,618	2,618
Rent	21,230	20,072
Secretary-Treasurer and Secretary salaries	51,252	49,253
	165,261	172,181
SPECIFIC PROGRAM EXPENDITURES		
Board remuneration and expense	11,905	11,806
Forage crops	26,705	55,866
Public education	26,457	23,112
Shelterbelt weed control	8,740	7,556
Shelterbelts	19,626	17,926
Small tools	1,121	3,335
Soils demonstration, pipeline plow and well sealing	4,338	4,533
Special project funding	23,519	29,150
Summer students	15,006	2,312
Wildlands	6,814	13,574
	144,231	169,170
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	17,463	(3,325)
SURPLUS, beginning of year	29,679	33,004
SURPLUS, end of year	$ 47,142	$ 29,679

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS - EQUIPMENT PROGRAM
YEAR ENDED MARCH 31, 2008

	2008	2007
REVENUE		
Rentals	$ 98,681	$ 104,926
Gain on disposal of equipment	5,970	46,238
	104,651	151,164
EXPENDITURES		
Amortization	39,224	39,585
Fuel and oil	24,979	21,512
Insurance and licences	7,592	7,736
Repairs and maintenance	13,733	15,646
Salaries	2,565	3,005
	88,093	87,484
EXCESS OF REVENUE OVER EXPENDITURES	16,558	63,680
SURPLUS, beginning of year	227,235	163,555
SURPLUS, end of year	$ 243,793	$ 227,235

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS - INVENTORY PROGRAM
YEAR ENDED MARCH 31, 2008

	2008	2007
REVENUE		
Sales	$ 36,866	$ 34,890
COST OF SALES		
Inventory, beginning of year	38,943	44,320
Purchases	39,764	23,674
	78,707	67,994
Inventory, end of year	47,746	38,943
	30,961	29,051
GROSS PROFIT	5,905	5,839
EXPENDITURES		
Amortization	244	244
Insurance	476	482
Salaries	519	709
Yard maintenance	(41)	826
	1,198	2,261
EXCESS OF REVENUE OVER EXPENDITURES	4,707	3,578
SURPLUS, beginning of year	24,859	21,281
SURPLUS, end of year	$ 29,566	$ 24,859

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS - ROSEDALE FARM PROGRAM
YEAR ENDED MARCH 31, 2008

	2008	2007
REVENUE		
Forage sales	$ 36,455	$ 22,964
EXPENDITURES		
Fertilizer and rotovating	15,544	10,597
Harvesting	13,955	11,799
Miscellaneous	-	(2,138)
	29,499	20,258
EXCESS OF REVENUE OVER EXPENDITURES	6,956	2,706
SURPLUS, beginning of year	2,706	-
SURPLUS, end of year	$ 9,662	$ 2,706

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS - PR/PTH CROSSING PROGRAM
YEAR ENDED MARCH 31, 2008

	2008	2007
REVENUE		
Intergovernmental Affairs interest	$ 30,465	$ 30,386
EXPENDITURES		
Sub-district program # 36	-	1,288
Sub-district program # 42	-	1,379
Sub-district program # 43	28,980	27,017
	28,980	29,684
EXCESS OF REVENUE OVER EXPENDITURES	1,485	702
SURPLUS, beginning of year	765,994	765,292
SURPLUS, end of year	$ 767,479	$ 765,994

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS - CMRM LTD. IN TRUST
YEAR ENDED MARCH 31, 2008

	2008	2007
REVENUE		
Lower Rat Creek	$ 8,546	$ 1,728
Interest	1,048	904
	9,594	2,632
EXPENDITURES		
Lower Rat Creek drain	9,244	5,533
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	350	(2,901)
SURPLUS, beginning of year	30,792	33,693
SURPLUS, end of year	$ 31,142	$ 30,792

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS - INFRASTRUCTURE RESERVE ACCOUNT
(75%/25%)
YEAR ENDED MARCH 31, 2008

	2008	2007
EXPENDITURES		
Sub-district program # 37	$ 2,704	$ -
Sub-district program # 38	-	5,798
Sub-district program # 39	5,065	-
Sub-district program # 42	5,328	34,199
Sub-district program # 43	16,536	4,146
	29,633	44,143
SURPLUS, beginning of year	153,857	198,000
SURPLUS, end of year	$ 124,224	$ 153,857

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS - INFRASTRUCTURE RESERVE ACCOUNT
(0%/100%)
YEAR ENDED MARCH 31, 2008

	2008	2007
REVENUE		
Sub-district program # 36	$ 8,000	$ 8,000
Sub-district program # 37	3,750	3,750
Sub-district program # 38	6,667	6,667
Sub-district program # 39	2,825	2,825
Sub-district program # 40	2,825	2,825
Sub-district program # 42	5,825	5,825
Sub-district program # 43	13,666	13,666
	43,558	43,558
SURPLUS, beginning of year	341,222	297,664
SURPLUS, end of year	$ 384,780	$ 341,222

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS - DUGOUT/WATER TRANSFER EQUIPMENT PROGRAM
YEAR ENDED MARCH 31, 2008

	2008	2007
REVENUE		
Equipment rentals	$ 2,045	$ -
EXPENDITURES		
Trailer registration	182	-
Repairs and maintenance	342	-
	524	-
EXCESS OF REVENUE OVER EXPENDITURES	1,521	-
SURPLUS, beginning of year	-	-
SURPLUS, end of year	$ 1,521	$ -

1. NATURE OF ORGANIZATION

The District was established by an Order-in-Council of the Province of Manitoba on March 22, 1972. The District is situated in south central Manitoba and its mandate is to provide soil and water stewardship and facilitate agricultural land drainage on a watershed basis. The District is exempt from income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in accordance with Canadian generally accepted accounting principles. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgement. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

(a) Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is generally determined on a first-in, first-out basis.

(b) Capital assets

Capital assets are recorded at cost. Amortization is provided annually on a straight-line basis as follows:

Buildings	-	5%
Equipment	-	15%
Fences	-	5%

(c) Long-lived assets

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The District performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the assets carrying amount. Impairment is measured as the amount by which the assets carrying value exceeds its fair value. Any impairment is included in operations for the year.

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Revenue recognition

The Province of Manitoba grants are recognized as revenue when the related expenses are incurred. Any excess or shortfall is shown as accounts receivable or accounts payable.

Municipal grants are recognized as revenue when received.

Other grants are recognized as revenue when the related expenses are incurred. If the related expenses are not incurred by the end of the year, the grant is deferred to future periods and shown as unexpended grants.

All other revenue is recognized when earned if the amount can be determined and collection is reasonably assured.

3. CAPITAL ASSETS

	Cost	Accumulated Depreciation	2008 Net Book Value	2007 Net Book Value
Land	$ 1,835	$ -	$ 1,835	$ 1,835
Buildings	34,282	25,335	8,947	9,922
Equipment	465,873	302,694	163,179	204,960
Fences	5,339	5,339	-	-
	$ 507,329	$ 333,368	$ 173,961	$ 216,717

4. LEASE COMMITMENT

The District occupies leased premises subject to a minimum annual rental of $21,230 expiring September 30, 2012.

5. SICK LEAVE RESERVE

The reserve has been established to recognize the accrual of sick leave of the employees. At March 31, 2008, the aggregate amount of possible claims was approximately $98,584 (2007 - $112,264).

6. STATEMENT OF CASH FLOWS

A separate statement of cash flows is not presented since cash flows from operating, investing and financing activities are readily apparent from the other financial statements, or adequately disclosed in the notes to the financial statements.

7. FINANCIAL INSTRUMENTS

The District's financial instruments consist of cash and short-term deposits, accounts receivable and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

8. CHANGE IN ACCOUNTING POLICY

The Accounting Standards Board has issued two new Handbook sections on Financial Instruments that affect the District, Section 3855 and Section 3861. Section 3855 Financial Instruments - Recognition and Measurement addresses when financial instruments should be recognized and how they should be measured. Section 3861 Financial Instruments - Disclosure and Presentation provides standards for how financial instruments should be classified on financial statements and the disclosure requirements.

The District has adopted both of these sections for the fiscal year ended March 31, 2008. The financial instruments of the District are classified as held-for-trading and are measured at fair value.

Adoption of these standards resulted in no adjustments to these financial statements.

WHITEMUD WATERSHED CONSERVATION DISTRICT

SCHEDULE OF COST-SHARING
YEAR ENDED MARCH 31, 2008
(Unaudited)

	Total Expenditures	Provincial	District Levies	District Other	External
ADMINISTRATION					
Program Support/Planning	$ 40,260	$ 30,195	$ 10,065	$ -	$ -
Office Operation	51,425	35,347	737	15,341	-
	91,685	65,542	10,802	15,341	-
ASSETS					
Infrastructure Reserve Account (0/100)	43,558	-	43,558	-	-
WWCD Legacy Program Reserve Fund	1,000	750	250	-	-
Conservation Reserve Fund	2,800	-	2,800	-	-
	47,358	750	46,608	-	-
PUBLIC EDUCATION					
Public education	68,478	51,359	10,755	6,364	-
WILDLIFE/FISHERIES					
Wildlife Preservation/ Treeplanting/Demo	4,341	3,256	-	1,085	-
Conservation Corridors	2,472	1,854	-	618	-
Fisheries Enhancement Initiative	1,945	-	-	-	1,945
	8,758	5,110	-	1,703	1,945
SOILS					
Forage Assistance	26,705	6,676	-	20,029	-
Shelterbelt/Gully/Riparian/ Soils Demo	33,616	25,212	-	8,404	-
Abandoned Well Sealing	4,213	3,160	-	1,053	-
	64,534	35,048	-	29,486	-
WATER					
Maintenance	37,285	27,964	9,321	-	-
Water Storage Projects	16,335	12,251	4,084	-	-
CMRM Ltd.	9,244	-	-	-	9,244
Drainage Management Project	27,295	20,471	6,824	-	-
	90,159	60,686	20,229	-	9,244
CROSSINGS					
Repairs	120,278	89,869	29,956	-	453
Replacements	50,257	37,523	12,508	-	226
PR/PTH Replacements	28,980	-	-	-	28,980
Infrastructure Reserve	29,633	-	-	-	29,633
	229,148	127,392	42,464	-	59,292
DRAIN INFRASTRUCTURE					
Maintenance	484,740	362,367	120,789	-	1,584
Surveys	4,600	-	1,150	-	3,450
	489,340	362,367	121,939	-	5,034
TOTAL	$ 1,089,460	$ 708,254	$ 252,797	$ 52,894	$ 75,515
		65%	23%	5%	7%

WHITEMUD WATERSHED CONSERVATION DISTRICT

SCHEDULE OF PROVINCIAL GRANT RECEIVABLE
YEAR ENDED MARCH 31, 2008

	2008	2007
Provincial Grant	$ 710,000	$ 700,000
Less, receivable, beginning of year	84,844	9,197
	625,156	690,803
Less: Provincial allocation	708,254	775,647
Receivable, end of year	$ 83,098	$ 84,844